

## Investors Prepare for Long Period Of Disquiet

Flight From Any Risk  
Signals a 'Sea Change'  
In Attitudes of Traders

By Carl Gewirtz  
International Herald Tribune

PARIS — The collapse of the year-long paradox of grim financial turmoil in East Asia and the seemingly irrational exuberance of financial markets in the West is likely to be long-lasting and have major impact on the behavior of investors worldwide.

Leading analysts say that deepening worries about the outlook in Japan and the widening of the crisis to engulf Russia and possibly also Latin America is raising uncertainties and worries about the exposure of Western financial institutions, particularly the banks, and more generally about continued prosperity in the industrialized countries.

"It's nothing less than a sea change in investor attitudes," said Simon Crane, a London-based trading adviser. "From trying to secure capital gains, investors are now only interested in how best to preserve the capital they have at their disposal."

Moreover, given the way this shift in attitude is being executed — a flight from any kind of risk — leading analysts predict that the disturbances that began last week are not likely to be reversed soon.

This means a continuation of volatile price movements in equity markets and highly disrupted credit markets. In other words, the world's markets are expected to continue falling except for the gold-plated bond markets of the United States, Germany and its closest allies.

John Lipsky at Chase Manhattan in London said investors are responding to a "progressive loss of confidence," an uncertainty about where true values lie.

In an almost perverse replay of earlier events, the avalanche of money rushing into the security of triple-A-rated government bonds — further lowering long-term interest rates that up to now have been seen positively as boosting confidence of businessmen and individual borrowers — is now beginning to alarm observers.

The flight from stocks and from less than top quality bonds and, if the rumors are to be believed, from bank accounts, into government paper is seen as the equivalent of money being stuffed under mattresses, removed from productive use and potentially destabilizing.

It remains to be seen what trouble the banks are in. Rumors are rampant about the vulnerability of European banks, heavily exposed in Asia and Eastern Europe, and traders confide that rumors circulating in financial markets about bank losses have reached "irresponsible levels."

Worries about the safety of financial intermediaries as well as the anxiety about next year's transition to the millennium at the same time as the European Union moves to its single currency might just be a potent enough package of concerns to persuade institutional investors to grab what profits they have and take a 16-month holiday starting now, Mr. Crane said.

What is unmistakable is the global flight away from risk and the rush into undisputed safety. This drove the yield on the 30-year U.S. government bond at the close of last week to a historic low of 5.45 percent. That is five basis points below what the Federal Reserve Board imposes as the cost for overnight money. Such an inversion of the yield curve, which normally slopes upward along the maturity spectrum, has never occurred in the course of normal business but only after sudden changes in the administered overnight rate.

Most analysts interpret this to signal an impending economic slowdown and an easing of the Fed's monetary policy. But for Stephen Roach at Morgan Stanley Dean Witter in New York, who sees the U.S. economy still roaring ahead, the anomaly in the yield curve is evidence of how "financial markets are now priced for — or are in the process of discounting — the mother of all currency crises."

In Germany, the curve is still upwardly sloping despite a rush into Bunds that has driven the yield on 10-year paper to a record low of 4.23 per-

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### Newsstand Prices

Bahrain	1,000 BD	Malta	55 c
Cyprus	€ 1.00	Nigeria	12800 Naira
Denmark	14.00 Dkr	Oman	1,250 O.R.
Finland	12.00 FM	Qatar	10.00 Q.R.
Gibraltar	€ 0.85	Rep. Ireland	€ 1.00
Great Britain	€ 0.90	Saudi Arabia	10 SR
Egypt	€ 5.50	S. Africa	€ 12 + VAT
Jordan	1,250 JD	U.A.E.	10.00 Dh.
Kuwait	1,000 KD	U.S. Mail (Eur.)	€ 1.20
		Zimbabwe	Zim \$40.00



Supporters of Osama bin Laden rallying in Karachi, Pakistan, on Sunday against the United States bombings.

## But Back on the Domestic Front...

By Brian Knowlton  
International Herald Tribune

WASHINGTON — Pressure mounted Sunday on President Bill Clinton to go further in seeking the nation's understanding and forgiveness over the Monica Lewinsky scandal, with several of his closest personal and political allies publicly urging him to do so.

One of his allies, Representative John Conyers of Michigan, also said that a House vote to censure the president was a possibility. The comment was significant because Mr. Conyers is the ranking Democrat on the House Judiciary Committee, which would be the first body in Congress to deal with a report from the independent counsel, Kenneth Starr, on possible grounds for impeachment.

The Lewinsky matter thus remained a focus of attention in Washington alongside the president's decision to launch missile strikes against alleged terrorist targets in Afghanistan and Sudan. Mr. Clinton's top national security aides again insisted during television interviews that his decision to launch the strikes was

not an attempt to divert attention from the Lewinsky matter.

Some top presidential aides now believe that a further Clinton comment on the Lewinsky matter is inevitable, if not imminent, CNN reported. An array of comments by Clinton associates Sunday appeared to confirm that.

Lanny Davis, a former special counsel in the Clinton White House, indicated that the president wanted to amplify on his comments to the public.

"We need something more, the American people want some greater dose of candor," he said on CNN. "He does, and should want to complete the story."

James Carville, the Democratic consultant who has long been one of Mr. Clinton's closest allies and most passionate defenders, said that the president needed to expand on the explanations he offered on Aug. 17 in a four-minute televised speech.

Mr. Clinton has been harshly criticized by some Republicans in Congress, as well as a few Democrats, for failing

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## U.S. Explains Allegation of Plot on Pope

By John Mintz  
Washington Post Service

WASHINGTON — Among the more surprising assertions in the list of terrorist plots attributed by the Clinton administration to Osama bin Laden was that the Saudi-born millionaire had planned to assassinate Pope John Paul II.

U.S. intelligence officials said that the reference, made by President Bill Clinton and other officials, was to an aborted 1995 plan to blow up the Pope during a visit to the Philippines, using a fragmentation bomb and a timer inside a digital watch. Although they provided no direct evidence tying the plans to Mr. bin Laden himself, they said the two men blamed for the plot, Ramzi Ahmed Yousef and Wali Khan Shah, had financial, ideological and personal connections to the bin Laden terrorism "network."

Mr. bin Laden previously had been linked by U.S. officials to many of the most notorious terrorist attacks or plots of the 1990s, several of which Mr. Clinton cited in his Oval Office address Thursday explaining the U.S. cruise

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## More on the Cruise Missile Strikes

- Officials describe the strikes as a response to the embassy bombings in East Africa and a significant departure from the United States' past practice of seeking international support for military action.

- The Zhawar Kili camp in Afghanistan targeted by cruise missiles could probably be described

more accurately as a primitive boot camp in the wilderness.

- A component of U.S. strategy in crafting a response to the embassy bombings and explaining the missile strikes is an effort to strip the terrorists of their religious justification.

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## Missiles With a Message

Psychological Impact Also Part of the Strategy

By Barton Gellman  
Washington Post Service

WASHINGTON — If last week's missile strikes were aimed at the vital underpinnings of Osama bin Laden's paramilitary power, as one Clinton administration explanation maintains, they demonstrated the paucity of such targets available to those who aim America's conventional weapons of war.

Strictly in terms of material exchange, the United States expended \$79 million in satellite-guided cruise missiles to destroy thousands of dollars worth of obstacle courses, field barracks and tents.

But even as "centers of gravity," as strategists call the main sources of an

enemy's strength, neither the Sudanese factory nor the Afghan training camp pounded by the missiles has that kind of vital importance to Mr. bin Laden, according to senior military officers.

The measures of success for the missile strikes — like many of the engagements in what Secretary of State Madeleine Albright on Friday called "unfortunately the war of the future" — may continue to seem as diffuse and elusive as the confederation of extremist groups led by Mr. bin Laden.

Some government analysts argued that members of Mr. bin Laden's senior

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## Yeltsin, Once Again, Dismisses His Cabinet

Chernomyrdin Is Summoned Back  
In an Effort to Restore Confidence

By Sharon LaFraniere  
Washington Post Service

MOSCOW — For the second time in five months, President Boris Yeltsin on Sunday fired his entire cabinet. He appointed former Prime Minister Viktor Chernomyrdin to temporarily head the government.

Sergei Kiriyenko, whom Mr. Yeltsin removed as prime minister without explanation, was considered one of the most reform-minded prime ministers in years. But he was unable to prevent the devaluation last week of the ruble and the freeze on the domestic government bond market, moves that hurt Mr. Yeltsin's standing among voters, the nation's powerful business elite and foreign investors.

Some analysts in Moscow interpreted Mr. Yeltsin's surprise decision to remove Mr. Kiriyenko as a desperate move to shore up support among the powerful financial oligarchs who sometimes function almost as a shadow government.

In the short term, at least, it means more turmoil amid a serious financial crisis and mounting social dislocation.

President Bill Clinton's trip to Russia next month will go ahead as scheduled, the White House said Sunday.

A White House spokesman, P.J. Crowley, said the United States would continue to work with Russia to advance economic reforms and said it was crucial that the new government there im-

plement the reforms, Reuters reported from Edgartown, Massachusetts.

Mr. Yeltsin had replaced Mr. Chernomyrdin in March with Mr. Kiriyenko, 36, saying the government needed new ideas and new energy to achieve market reforms.

Since then, Mr. Kiriyenko has managed to force the hostile Russian legislature to raise some taxes and cut some expenditures. But even with a \$22.6 billion rescue package from international lenders, the government teetered on the edge of bankruptcy, unable to shed the high-interest, short-term debt that it incurred during Mr. Chernomyrdin's five-year tenure. Banks, too, slid toward default, and fearful depositors began to withdraw their funds.

A week ago, Mr. Kiriyenko announced that the government could no longer prop up the currency, and would let it fall in value by as much as 50 percent. He also announced a 90-day moratorium on payments by businesses of their overseas debt and a restructuring of the government's billions of dollars worth of short-term bonds.

Most financial experts agree that Mr. Kiriyenko had no other choice. But the cost is high: The devaluation makes a mockery of Mr. Yeltsin's vow, reiterated only three days earlier, to keep the ruble stable. It may also incite in-

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## Rebels in Congo Claim To Take Important City

But They Acknowledge Loss of Strategic Base

Compiled by Our Staff From Dispatches

KINSHASA, Congo — Tutsi-led rebels trying to topple President Laurent Kabila said Sunday that they had captured the country's third-largest city but had lost a strategic supply base.

The reports from the battlefield, where the rebels say Angolan and Zimbabwean troops are backing Mr. Kabila's soldiers, coincided with regional leaders calling for a cease-fire in the three-week-old conflict. (Page 4)

"The city of Kinshasa was liberated on 23 August, 1998," the rebel Congolese Democratic Coalition said in a statement released from its eastern headquarters in Goma.

But the claimed success in the center of Africa's third-largest country was offset by the loss of the strategic airport of Kitona in the southwest, where the rebels say they are just 30 kilometers from Kinshasa and facing Zimbabwean and Congolese troops.

A rebel leader, Ernest Wamba dia Wamba, told a news conference in Goma that his forces were organizing a counterattack on Kitona and continuing their march on the capital.

The fall of Kitona, just a few kilometers inland from the Atlantic coast, traps rebel forces between their main supply bases in the west and the capital, which is still controlled by the government. The rebels have been using Kitona to receive troops who have been airlifted across the country from the main rebel bases in eastern Congo.

There was no independent confirmation of the rebel claims.

Kinshasa, the last navigable port on the Congo River, is the main commercial center for the northeast of the country.

Mr. Kabila's information minister, Didier Munnengi, said that Zimbabwean troops were fighting alongside local troops southwest of Kinshasa.



There was no word from Angola on its alleged participation in the conflict, although it has helped Mr. Kabila in the past and said it would do so again.

Mr. Munnengi told state radio: "When Angola sends in its troops it will do so openly as was the case with Zimbabwe."

One government source in Kinshasa told Reuters that the soldiers who had retaken Kitona airport and the oil town of Moanda were from a Congolese battalion that serves with the Angolan armed forces and were operating with Angolan logistical support.

On Saturday, Reuters correspondents with the rebels witnessed two unmarked MiG-21s attacking rebel positions. The rebels said they suspected the warplanes were Angolan or Zimbabwean as Mr. Kabila's armed forces do not possess any MiGs.

Security sources in Luanda told Reuters that Angola had taken delivery of 18 Russian MiGs since President Eduardo dos Santos visited Moscow in June.

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## AGENDA

### Saudi Arabian King Is Back in Hospital

DUBAI, United Arab Emirates (AP) — King Fahd of Saudi Arabia returned to the hospital late Sunday less than two weeks after being discharged, diplomats said.

He was admitted to King Faisal Specialist Hospital in the capital, Riyadh, the diplomats said. They gave no further details about his condition, and hospital officials were not available for comment.

The king, who is in his mid-70s, had

his gallbladder removed by a medical team led by a U.S. surgeon on Aug. 12. He was also admitted to the hospital on Aug. 2 and was hospitalized for short periods in March and April.

Fahd's health has been the source of much speculation since he suffered a stroke in 1995 that damaged his short-term memory.

Two months later, he temporarily handed over power to his half-brother, Crown Prince Abdullah.

### Albanian Policeman Killed at U.S. Embassy

American security men shot and killed an Albanian police officer in Tirana on Sunday in a bizarre incident in which he apparently attempted to enter the closed U.S. Embassy.

Several bursts of automatic-weapons fire crackled through the capital just before noon and two vehicles filled with armed Americans in civilian clothes were seen wheeling out of the area.

The embassy was shut down a week ago and many of its personnel evacuated in the face of what U.S. officials

regarded as a serious bomb threat. This summer, Albanian secret police operating under the direction of American intelligence, arrested five wanted Egyptian Islamic terrorists. Page 5.

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RACE IS ON — Chancellor Helmut Kohl of Germany kicking off his campaign Sunday in Dortmund. Page 5.

## Suffering Sweden / Family Believes They Have Identified the Culprit

## 12 Years After Killing of Palme, Wound Is Open

By Warren Hoge  
New York Times Service

**S**TOCKHOLM — The site is so modestly marked that it is easy to miss. Perhaps appropriately, one must bow one's head to see it.

The simple brass plaque in the pavement at the Tunnelgatan entrance to the Hötorgstorg subway station reads, "On this spot Sweden's Prime Minister Olof Palme was killed."

People by the scores find it daily, though, drawn to the site where many Swedes think their country began to lose its way. "When Palme was killed, we were an innocent, virgin country," said Nina Ersmann, a Swedish diplomat, expressing the common view that the assassination profoundly altered Sweden's view of itself as the unassailable guardian of the world's social conscience.

Mr. Palme, a statesman who aroused intense opinions by speaking out against apartheid in South Africa, U.S. actions in the war in Vietnam and intolerance in general, was shot in the back by a gunman on the night of Feb. 28, 1986, as he was walking home from the movies with his wife.

The 12 years since that convulsive event have not been kind to Sweden's sense of itself as decent, efficient and distant from the tensions and treacheries of the rest of the world. If a certain fatalism took hold of the country at that moment, it has been deepened by the hapless performance of the police, which has left the case still unsolved.

"While the act itself was a national catastrophe, what has turned out to be an enormous setback is that the authorities have been unable to handle the case in a way that has not been open to criticism," said Defense Minister Björn von Sydow. "It has proved to be too great an event for our local police."

Arne Ruth, an author and former editor in chief of the newspaper Dagens Nyheter, was more blunt. "After the assassination," he said, "the total failure of the judicial system to handle the case was in a way an even worse disaster for Sweden."

The murder inquiry has been repeatedly sidetracked by disputes and scandals that have forced the resignations of a justice minister, a police chief and other officials.

In recent years, self-styled "private investigators" have produced increasingly bizarre versions of who was behind the killing, variously accusing the CIA, the Mafia, NATO, Kurdish rebels, the mysterious Italian Masonic Lodge Propaganda-2, the Israeli intelligence agency Mossad, South African defenders of apartheid, local far-right businessmen, Stockholm police officers angered at wage cuts, a Finnish bodybuilder and an unnamed member of the staff of former President George Bush.

"These are mostly made up by sick people," said Martin Palme, the late prime minister's 36-year-old son, who was with his father the night he was killed. "I've had some of them call and apologize to me after they received medication and got better."

Martin Palme, a professor at the Stockholm School of Economics, said the remaining family — his mother, Lisbet, 67, and brothers Joakim, 40, a sociologist, and Mats, 30, an architect — are able to largely ignore the continuing furor now. "The most important thing for our family is to know what happened that night, and we feel we do," he said.



The Associated Press

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They are convinced the killer was Christer Pettersson, 51, a self-confessed drug addict and alcoholic who was convicted of the murder and sentenced to life in prison in 1989 but then freed later the same year by an appellate court. He had spent much of the previous 30 years in jail, with a record of 63 arrests, including one for having stabbed a drug dealer to death with a bayonet in 1970.

Swedish criminal law is heavily weighted toward defendants' rights, and the higher court said the evidence used to convict Mr. Pettersson was too circumstantial. He received about \$40,000 compensation for wrongful jailing.

An effort by prosecutors to reopen the case against him this spring failed when a Supreme Court panel ruled May 27 that new witness testimony did not justify a new trial. The justices also faulted prosecutors for failing to establish a motive and find the 357 Magnum that fired the bullets recovered from the scene. As for the motive, Swedes have wrestled with reconciling themselves to the notion that a society they long proclaimed to be the world's most rational may have been transformed by a senseless act.

**S**WEDES have burdened the Palme assassination with being the inspiration for a series of unrelated accidents and violent episodes over the last dozen years. It has become a familiar if disjointed recital here — the sinking of a ferry boat in 1994 that killed nearly 1,000 people, the machine-gun killing of seven people by a berserk army lieutenant the same year, the attack a year later that killed four people and wounded 20 by a young man retaliating with an assault rifle for having been denied admittance to a discotheque.

"The Palme assassination introduced a kind of criminality that we hadn't had before," a Swedish diplomat said recently.

Toivo Sjören, research head of the Sipa opinion survey group, said a majority of Swedes thought Mr. Pettersson was the killer and distrusted the conspiracy theories. But the theorists persist.

The case is often compared to the investigation of the assassination of President John F. Kennedy. "But in the case of President Kennedy, you had technical evidence and some suggestion of motivation," said Mr. von Sydow. "We're lacking both."

The night he died, Mr. Palme had gone to the downtown Grand Cinema with his wife, his son Martin and Martin's girlfriend. On leaving, the Palmes said good night to the younger couple and turned to walk down Sveavägen, a broad, tree-lined central boulevard. They were headed for the subway station to take a train to their home.

It was not a remarkable thing for a Swedish prime minister to move about unprotected, a fact that was to be recalled repeatedly and ruefully in the aftermath of the murder, as permanent security guards were assigned to the country's leaders. As they passed an artists' supply shop on the corner of Tunnelgatan, a figure emerged from the shadows, fired a shot that passed through Palme's back and upper chest and a second shot that grazed Mrs. Palme. Then he ran along the dark side street and up a flight of stone stairs at its end two blocks away.

No one has ever come forward to say he or she saw the man fire the gun. At the 1989 trial, Mrs. Palme identified Mr. Pettersson as a man who had glared at her with a hostile expression as her husband lay dying on the snowy street. The accuracy of her recollection was challenged by defense lawyers because three years had passed since the murder.

Mr. Pettersson has maintained his innocence, saying that at the time of the shooting he was on a commuter train headed for his suburban home. He testified that he fell asleep on the train and accidentally rode to the end of the line. The new evidence that prosecutors presented to the Supreme Court in December came from four witnesses, two of whom knew Mr. Pettersson from before, who said they saw him outside the movie theater and running down the cross street after the shooting.

"The Palme investigation is not over," Lars Nylen, the national police commissioner, said in response to the court's refusal in May to permit a new trial. Tuvé Johansson, one of the 15 detectives still working the case, said his men would continue to seek the weapon and follow up leads.

"We get lots of tips, they're coming in all the time, but they are mostly ones we have seen before," he said. "It's very important to find the weapon." Asked if they were pursuing anyone in addition to Mr. Pettersson, he said, "We're not investigating just him, but he is a very interesting one."

## Nigeria Battles Plagues Of Corruption and Chaos

A Nation Rich in Energy, Oil and Know-How

By Roger Cohen  
New York Times Service

**LAGOS** — By night, many homes here have no electricity. But by day, the street lights across the long bridge connecting Lagos island with the Nigerian mainland are often on, mile after mile of feeble glows in the sunlight. Someone, it seems, forgets to turn off the switch.

The National Electric Power Authority has long been derided, its acronym widely held to stand for "Never Expect Power Again." But the daytime illumination of sun-drenched streets amounts to a new twist in the long tale of waste that has brought Nigeria to its knees.

Africa's most populous nation, Nigeria is rich. It has vast reserves of oil and minerals, fertile land, more than 30 universities and many talented, highly educated people. But after decades of gross mismanagement under military rulers, it is also marked by sweeping poverty and ethnic tensions.

A senior officer, Lieutenant General Jeremiah Useni, said recently that military rule for 28 of the last 32 years had been necessary to "put the house in order." But the country where one in six Africans lives has been reduced to mind-bending disorder.

Unfinished construction projects dot the landscape: potholes big enough to swallow small cars multiply. Electrical turbines, oil refineries and water installations collapse, depriving people of light, gasoline and running water. Airlines make official announcements that they will fly when they "can find some fuel."

"This is a land that lives in self-imposed poverty," said Samuel Aiyeyimi, 60, a former worker for the Lagos port authority. "If we had invested some of the billions of dollars from oil in agriculture, then we would have provided work and food for the millions of jobless. Instead, we import food and people are hungry."

Like many of Nigeria's problems, the failure to develop agriculture — which thrived until the 1960s and the move toward an oil-dominated economy — has an explanation that seems to reside in the pockets of the powerful.

Sugar cane, for example, would thrive here, but its cultivation would end the highly lucrative trade in smuggled sugar controlled by a coterie of powerful business people.

Ismaïla Gwarzo, security adviser to General Sani Abacha, the dictator who died unexpectedly in June, was arrested recently in connection with the disappearance of \$2.45 billion from the central bank. The arrest appeared to indicate a determination to set new standards and recover some of the money stolen by the government of General Abacha.

With official theft on this scale, it is little wonder that the state lacks funds to fix the lights. Or to build schools. Or to pay a decent wage to customs officers, civil servants, police officers and young soldiers, who with monthly salaries in the \$40 range have little incentive to work and overwhelming incentive to procure cash — the bribes that almost universally grease the wheels here.

The "What do you have for me today?" greeting at military roadblocks often comes close to armed robbery. At airports, the small baskets intended to ferry objects like keys or coins through metal-detector machines are instead proffered by officials with a whispered "Dash me something!" In any event the machines do not work.

The system in Nigeria, from top to bottom, has become based on such behavior. Any right, even any notion of redress or the rule of law has disappeared through years of dictatorship. In their place Nigeria has succumbed to an army-run system where any contract requires a payoff.

"Our military leaders have been lifting oil and money for years," said Bola Ige, a leader of the southwestern Yoruba, the ethnic group of Moshood K.O. Abiola, the late opposition leader. "They have shown no love of their country. Only love of their pockets."

Far from those pockets, and the African investment that has contin-

ued to pour into the Nigerian oil industry, lie the tens of millions of Nigerians with nothing.

Nobody knows how many they are because the last census has been kept secret. The one thing everyone knows is that poverty is spreading — per-capita income is one-fourth of what it was in the 1980s — and the population growing so fast (close to 3.5 percent a year) that it may rise from an estimated 105 million today to 280 million by 2025.

The millions of young people without jobs try any means to get by.

They surge forth at any of the staggering "go slows" — bottlenecks — in Nigerian cities, an army of desperate peddlers darting through the black exhaust fumes and offering chewing gum, wreaths, garden shears, coconuts, pipes, roasted corn, even copies of The Economist.

Do not ask how The Economist reached them. This is a country of intellectual vibrancy where a dingy newspaper store in a rundown provincial airport will offer copies of "Middlemarch" and "Jude the Obscure" beside a bar enveloped in the stench of broken toilets and adorned with snail shells so old they look like sinister waxworks.

Among the desperate is Dhadrack Adason, 29, who has never been able to find a steady job and now drives a motor-scooter taxi.

Mr. Adason pays \$5 a day to rent the scooter. Working 10 to 12 hours, he may make \$8. With the \$3 in profit, he tries to maintain his wife, Paience, and his year-old daughter, Blessed. His home is

"This is a land that lives in self-imposed poverty."

40 minutes away in the Ilesan estate, a slum on the edge of Lagos. He has a single tiny room decorated with a poster of Mr. Abiola, the opposition leader who died in detention in July. "Abiola lives on," it reads.

Ilesan was begun years ago as an ambitious state project to provide cheap housing. But the buildings were never finished, the "contractor" took his money without doing the work, and today 600,000 people live without water, electricity, roads or a sewage system.

Among them is Mr. Aiyeyimi, the former port authority worker. Like many people in Ilesan, he once lived in a poor area on the edge of the up-market Victoria Island. His real estate was coveted by developers in league with the military.

On July 14, 1990, bulldozers flanked by thousands of soldiers, with air force planes sweeping overhead, appeared at Maroko and leveled the place. Mr. Aiyeyimi's three houses, representing his life savings, were flattened, he said.

In all, about 300,000 people were evicted, turned out onto the streets with nowhere to go and no compensation. Many were killed.

After weeks of protest, the military government said some of the homeless would be housed at Ilesan, more than 10 miles from Victoria Island. Mr. Aiyeyimi was awarded Apartment No. 4 in Block No. 309.

But the apartment, supposedly on the second floor, did not exist.

"It was empty air," Mr. Aiyeyimi said, pointing to the still-unfinished structure.

No work was ever done, he added. So he eventually rented a room in Ilesan. Describing himself as a ruined subsistence farmer, he tries to cultivate beans and sugar cane on a small patch of land.

"Our only sin was that we were in a disadvantaged position," Mr. Aiyeyimi said. "It was the oil boom. All the big military men, all the number ones, had to have a building on Victoria Island. Space was running out, and the people in Maroko were in the way."

Mr. Aiyeyimi continues to fight for the evicted. "It is a matter of right," he said, "and without rights for all, Nigeria has no future." A case brought by rights groups is still before the courts, although many buildings have already gone up of what was Maroko. Among them is the Nigerian headquarters of Mobil Oil.

## Alleged Threat Rattles U.S. Students on St. Kitts

By Serge F. Kovaleski  
Washington Post Service

**BASSETTERE, St. Kitts and Nevis** — The ornate, fortress-like home of the man alleged to be the eastern Caribbean's most notorious drug trafficker sits among fields of wind-swept sugar cane in the mountainous enclave of Moutley, literally a stone's throw from apartments rented by American veterinary students and no more than a five-minute drive from their campus.

But until recently, the presence on this tiny island of Charles Miller, whom the United States has been trying to extradite for two years on charges of conspiring to smuggle almost a ton of cocaine through Miami, had been of no real consequence for Ross University School of Veterinary Medicine or the 270 students, most of them Americans, enrolled there.

That all changed on July 30: The State Department announced that it had received information that Mr. Miller had threatened to kill American veterinary students in St. Kitts if the United States was successful in obtaining his extradition.

A day earlier, university officials convened a meeting of the student body, where a representative from the U.S. Embassy in Barbados, which has diplomatic jurisdiction over St. Kitts and Nevis, announced the news.

Although classes continued on a normal schedule and security was heightened, at least 50 students left. Some decided not to return and others accepted an offer to complete final exams in September. For many who remained to finish their tests, which ended Aug. 14, it was a period of distraction and uneasiness.

Mr. Miller has denied threatening the students, but U.S. officials say this latest episode is another example of how powerful drug barons are wreaking havoc in the small island states of the Caribbean. U.S. officials say the region has been turned into a major transshipment point for South American cocaine and heroin headed to the United States and Europe.

In 1994 and 1995, St. Kitts and Nevis was roiled by a wave of violence in which nine people were killed, including the son of the former deputy prime minister and the government's drug czar. Mr. Miller said he had nothing to do with the slayings, but many people suspected he was involved.

Mr. Miller, 37, continues to be a source of embarrassment for the U.S. government. A convicted drug trafficker and a millionaire who became an

informer for U.S. investigators, he delivered stinging testimony nine years ago against a Jamaican drug gang in exchange for full immunity and a new identity.

He has said that since returning to St. Kitts in the early 1990s, he has lived within the confines of the law, operating several legitimate businesses, including a lucrative trading company. But U.S. law enforcement authorities contend that he has forged strong ties with the Colombian drug cartels.

Since 1996, the United States has sought Mr. Miller's extradition, but the case has been tied up in local courts. It is widely believed that appeals could delay a decision for another two years.

Prime Minister Denzil Douglas said he was angered that the U.S. government had made public the alleged threat even though Mr. Miller's extradition is not imminent. This, he said, could have grave consequences for the vital tourism industry in St. Kitts.

"I do not think that is the way a friendly country acts to another friendly country," he said. "It is damage inflicted because of the alleged threat of one man. You cannot punish a whole country. One wonders whether this is being done because we are a small, defenseless country." Mr. Douglas has filed a complaint with the

Caribbean Community and the Common Market in an effort to persuade the United States to lift the notification. "I could see you making it at the time of the trial or when the decision has been made," he added.

"The U.S. could have gone into a role of observation and surveillance instead of issuing a notification."

But Jennifer Clark, a spokeswoman for the U.S. Embassy in Barbados, said that while information was received concerning the safety of American citizens abroad and believed to be credible, officials were "legally and morally bound to act." U.S. officials have declined to divulge their source of information about the alleged threat.

There are doubts among the more cynical residents of the island, which has a population of 32,000, about the reliability of the information. They say that Mr. Miller is too shrewd to make known or let slip such intentions.

Mr. Miller declined to comment and his lawyer in St. Kitts did not return messages. But in a written statement to local police officials, Mr. Miller said, "I know I did not threaten anyone or tell anybody I was going to kill anybody at Ross University. As a matter of fact, I live among them. They are my friends. Students and teachers pass by my road every day. We are neighbors."

## TRAVEL UPDATE

## Storm Intensifies Off Florida Coast

MIAMI (AP) — The first Atlantic hurricane of the year packed increasingly strong winds Sunday as it headed slowly toward the Florida coast, but it presented no immediate threat to the state, U.S. weather forecasters said.

The storm designated Bonnie had winds of 105 miles an hour (165 kilometers an hour). But the closest it was expected to come to the Florida coast was 560 kilometers (350 miles) to the east, on Monday, the National Weather Service said.

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## Turbulence Hurts 3 on Tokyo Flight

**TOKYO (Reuters)** — Three passengers were hurt when a Continental Micronesia jet hit air turbulence after departing from Guam, officials at Narita airport said Sunday. Passengers said that "Fasten Seat Belt" signs had been il-

luminated when Flight 967 encountered turbulence about 50 minutes after takeoff.

Three women were treated at a Narita airport clinic. They did not require hospitalization, officials said.

The U.S. Embassy's consular section in Kuwait was to reopen Monday after a two-day shutdown for reasons of security following the U.S. attacks on suspected terrorist targets in Afghanistan and Sudan. (APF)

## This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

**MONDAY:** Liberia, Ukraine.  
**TUESDAY:** Uruguay.  
**WEDNESDAY:** India, Namibia.  
**THURSDAY:** Macedonia, Moldova.  
**FRIDAY:** Bahrain, Georgia, Israel, Saudi Arabia.  
**SATURDAY:** Slovakia.  
**SUNDAY:** Peru.  
Sources: J.P. Morgan, Bloomberg, Reuters.

## WEATHER

Forecast for Tuesday through Thursday, as provided by AccuWeather.



**North America** Hurricane Bonnie will cause high surf from the Maine for sale and southerly winds across the Carolinas to New York. Heavy rain will be reported in the Southeast. Flights will be delayed Wednesday and Thursday due to heavy rain. Heavy rain will be reported in the Southeast. Flights will be delayed Wednesday and Thursday due to heavy rain.

City	Today	Tomorrow	Day After
Albany	64/80	68/84	72/88
Albuquerque	68/82	72/86	76/90
Albuquerque	68/82	72/86	76/90
Albuquerque	68/82	72/86	76/90
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Albuquerque	68/82	72/86	76/90
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Map, forecasts and data provided by AccuWeather, Inc. ©1998 - info@accuweather.com

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Albuquerque	68/82	72/86	76/90

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## THE AMERICAS

## President's Place in History Hangs in Balance as He Reels From Scandal

By Todd S. Purdum  
New York Times Service

WASHINGTON — In a Presidents' Day interview with C-SPAN in 1995, Bill Clinton reflected with frustration on the state of books and biographies that were already presaging a president then barely two years in office, declaring: "It's just crazy. I mean, how can you possibly reflect on someone — I mean, you know."

"I don't spend a lot of time reading them," Mr. Clinton continued philosophically, "just because I think that what I need to be doing is, I need to focus on today and tomorrow. I can't do anything about yesterday."

But Mr. Clinton has spent his whole life devouring biographies of his predecessors, and he now has more yesterday behind him in office than he does tomorrow. After the most tumultuous week of his presidency, capped by a dramatic strike on terrorist outposts abroad, the question that haunts Mr. Clinton is how he will be judged in light of the Monica Lewinsky matter.

For a man who, friends say, values his legacy above all else, Mr. Clinton has often seemed oddly heedless of the effect of the actions that will ultimately compose it. At a minimum, it seems safe to second the verdict of Senator Robert Torricelli, the New Jersey Democrat, who said last week that "Bill Clinton has probably assured himself to be a controversial historical figure."

Last week's events also showed once again how hard it is to fathom an ultimate answer, for less than 72 hours after his burning public confession of an inappropriate relationship with Ms. Lewinsky, Mr. Clinton was back in harness, vowing "a long, ongoing struggle between freedom and fanaticism, between the rule of law and terrorism."

Stephen Wayne, a presidential historian at Georgetown University, said, "To some extent, he tends to focus best and most like a laser as president when he's right on the brink of failure."

"It's almost as if he becomes careless, and then uses that great skill and

intellect to pull himself in line," Mr. Wayne said. "This is a president who is going to be remembered as much for the survival as he will for the scandal. That's a testament to his skill in using the presidency to his advantage."

For some time, Mr. Clinton has hoped that foreign policy, which daunted him early in his first term, could help redeem him in his second, in part because a president has more room to maneuver unilaterally and greater likelihood of bipartisan support.

The president's hand in the fragile Ireland peace effort, the stabilization of Bosnia and his promised campaign against international terrorism may yet come to seem among the most substantial parts of his legacy.

Ronald Reagan rebounded from the depths of the Iran-contra affair to the deeper rapprochement with President Mikhail Gorbachev of the Soviet Union that cemented the end of the Cold War.

Mr. Clinton took office five years and seven months ago with sweeping goals, many of which, like overhauling the

nation's health-care system, fell victim to intense opposition and his own overreaching.

Others, like reaching agreement to balance the federal budget and passing a major restructuring of welfare, succeeded beyond his doubters' imaginations as Mr. Clinton pursued a synthetic style of politics that borrowed from and confounded both parties.

But now Mr. Clinton is at another dispiriting crossroads, his dwindling tenure perforce limiting his power, and most of his hopes for this year — tobacco and campaign finance legislation and a national discourse on race — glimmering ever more faintly while the Lewinsky matter stays in the spotlight. His job approval ratings remain high, but his party's political prospects are uncertain this fall, let alone two years from now, when he hopes the election of Vice President Al Gore to the presidency can assure continuance of his policies.

Just a year after the White House and Congress reached peace over the budget, the two sides are again beaded

toward a showdown over taxes and spending. The administration has already issued seven veto threats against spending bills that Congress must take up when it returns from recess, seeking to restore financing for programs that Mr. Clinton favors or to delete language that would impose ideological conditions.

But the president may be forced to compromise to avoid the appearance of inaction.

What is more, Mr. Clinton will be operating with a demoralized staff and a cabinet whose own credibility is compromised by allowing them to embrace his denials in the Lewinsky matter. In recent months, some of the president's senior aides have taken to playing a mordant game among themselves: imagining how their own obituaries will reflect their service to a politician scarred by the Lewinsky scandal.

"What his legacy will consist of will depend, of course, on who's deciding," said Alan Brinkley, a professor of history at Columbia University whose work Mr. Clinton admires.

"All of these scandals and embarrassments will be part of any account of his presidency, but so will the things he's done that have not been affected by that, including perhaps his reorientation of the Democratic Party, which for better or worse is a very important part of his presidency."

In many ways, historians and politicians suggest that although it is too early to put Mr. Clinton's legacy in perspective, it will almost certainly rest principally on things he has already done, because his current problems can only compound his natural lame-duck status.

Although the latest New York Times/CBS News Poll last week found that 65 percent of Americans still approved of Mr. Clinton's job performance, 60 percent also believed the Lewinsky matter would have a serious effect on his administration over the next two years.

"We want to be careful with the institution of the presidency," said Senator Daniel Patrick Moynihan, the New York Democrat, who has never shied from speaking his mind about Mr. Clinton.

In an interview in the current issue of Playboy magazine, Mr. Moynihan reflected on the state of Kenneth Starr's investigation into the Lewinsky matter.

"A wounded president cannot govern well," he said. "I think we are being much too casual about this matter. Even though he's a lame-duck president, popularity and prestige can make him a formidable negotiator. But if he's diminished, he will not have the influence he needs with Congress. Legislators won't be afraid of him, won't want to help resolve a problem."

Mr. Clinton's best hopes for domestic achievements late in this term have been overhauling Social Security and Medicare, tough tasks that his advisers hoped he might elevate above partisan rancor with no more elections of his own to face, but that will be much more difficult in the bitter fallout from the Lewinsky case.

Congressional leaders of both parties have never especially trusted Mr. Clinton. The Republicans are now actively hostile and the Democrats are feeling betrayed.

"Maybe it was inevitable, regardless of what he did," as the first Democratic president to face the challenge of rebuilding a splintered party in the late 20th century, "he would have trouble," said Professor Joel Silbey, a Cornell University historian. "He is, after all, the first Democrat to say, 'We have to find another way,' and that does not lead to a great deal of happiness about him or a great deal of memorable achievement."

## A Crucial Task of Fence-Mending

To Survive the Scandal, President Needs the Help of Democrats

By Dan Balz  
and John F. Harris  
Washington Post Service

WASHINGTON — From the day he announced his presidential candidacy in 1991, Bill Clinton has been running against Washington. But as he struggles to save his embattled presidency, aides recognize that Mr. Clinton's fate increasingly depends on elected officials, particularly the congressional Democrats he has traditionally neglected.

Since allegations over his dealings with a White House intern surfaced in January, the White House has counted on polls that have shown no significant slippage in the president's job approval rating, even in the aftermath of his Map Room speech Aug. 17 that even many allies judged a failure.

But with the battleground about to shift to Congress next month when the

independent counsel, Kenneth Starr, is expected to send his report, Mr. Clinton understands that, as a first step, he must mount a major salvage job with Democrats in Congress if he is to survive what could be a protracted struggle.

Mr. Starr's investigation has focused most recently on the fact that Mr. Clinton had a sexual relationship with the intern, Monica Lewinsky, and may have broken the law seeking to cover it up.

"It's clear from the reaction to the speech that the whole matter is not behind us," said a senior White House official who has spoken with Mr. Clinton about the fallout from his Aug. 17 address. The president admitted he had an improper relationship with the intern, Monica Lewinsky, and had "misled people" in his public comments about it. He also attacked the office of the special counsel over its four-year investigation of his conduct, and for "prying" into what he

said were personal matters. The response from Republicans and commentators was particularly harsh, but it was the reaction by Democratic congressional leaders especially that unnerved the president's advisers. The Senate minority leader, Thomas Daschle of South Dakota, and the House minority leader, Richard Gephardt of Missouri, were openly critical of the president.

"The first thing he's going to have to do is deal with the leadership," said a senior aide, who added it was likely that Mr. Clinton would talk directly with Mr. Daschle and Mr. Gephardt, seeking a solution for his deception. "There's no scenario under which you're not going to have some difficult conversations," the aide said, adding, "They may say, 'Don't talk to us about the appropriations bills. You've got something more fundamental to deal with first.'"

Some White House advisers say it is inevitable that Mr. Clinton is in for a tough round of criticism from within the party once Congress comes back from the summer break.

Mr. Starr's report is likely to include more embarrassing details of Mr. Clinton's relationship with Ms. Lewinsky and possibly evidence that he committed perjury or obstruction of justice.

"The only hope he has in having the playing field at least even is to solidify his base," a former administration official with close ties to Clinton aides said. "Republicans aren't going to stand up for him. He needs to have his base energized and at a minimum not criticizing him."

With his vacation over on Sunday, Mr. Clinton will start a trip to Russia and Ireland that will focus on the economic and political crisis facing Boris Yeltsin and the fragile peace process in Northern Ireland. After he returns from that trip, aides expect he will begin a round of domestic travel and return to issues that are popular with people. Mr. Clinton is eager to do battle over competing versions of plans to protect the rights of patients in health maintenance organizations, and the coming fights over appropriations bills may reprise the 1995 budget battle that led to a government shutdown.

The White House communications director, Ann Lewis, said the press of business eventually would dampen the furor over Ms. Lewinsky and Mr. Clinton's grand jury testimony. "Real-life issues beat scandal," she said. "The goal here is to move the debate back to where people think it ought to be about, which is what their government is doing."

But it is a measure of Mr. Clinton's weakened position that almost one-third of Americans surveyed on the night of the attacks on Afghanistan and Sudan said they believed Mr. Clinton's motivation in acting was to distract attention from the Lewinsky investigation.

"The bottom line is you have increased cynicism," a former administration official said. Legislatively, Mr. Clinton may have less room for brinkmanship with Republicans for the same reason. Some Democrats outside the White House said the president should find a way to compromise with the Republicans on the major appropriations bills, rather than seek confrontation.

"They're not negotiating from a position of strength," a Democrat said.



Guards checking vehicles Sunday outside the compound at which President Bill Clinton is vacationing on Martha's Vineyard, Massachusetts.

## For U.S. Public, 2 Clintons

Work Ratings High, but Character Doubts Grow

By David S. Broder  
and Richard Morin  
Washington Post Service

WASHINGTON — Americans continue to see President Bill Clinton as a strong leader in touch with their problems even as a growing majority express doubts about his honesty, integrity and moral character, according to a new Washington Post-ABC News survey.

The poll describes a public that sees two Mr. Clintons: The president whose stewardship of the nation's economy and decisiveness in foreign affairs they continue to applaud, and the man whose scandal-plagued personal life is viewed with increased disgust, embarrassment and even sadness.

At the end of last week, Mr. Clinton's job-approval rating stood at 66 percent, barely below its all-time high. Three in four people surveyed approve of the way he is handling the economy, his best performance on this key measure of his presidency. Seven in 10 surveyed said he was doing a good job directing U.S. foreign policy, also a record high.

At the same time, 28 percent said he was honest and trustworthy, while 19 percent said he had high moral and ethical standards — both new lows in Post-ABC surveys. Four in 10 said he probably did something illegal in connection with his affair with a former White House intern, Monica Lewinsky. And half said he was not completely truthful about their relationship when he testified to a grand jury last week.

These sentiments were reflected in interviews with voters in an Illinois congressional district southwest of Chicago, which supported Mr. Clinton in the 1996 election but also elected a Republican House member.

"I voted for him," said Robert Hutchason, 45, a salesman for a soft-drink company, "but I probably should have gone the other way. He's done a good job as president, but he's been a liar

from the start. He has let the country down. I don't think it will help to impeach him. It would just be a waste of money."

In the Post-ABC poll, 62 percent said the president should not resign or be forced from office for lying about his relationship with Ms. Lewinsky. Just over half — 54 percent — said he should not be impeached even if he had encouraged her to lie under oath. But if the independent counsel, Kenneth Starr, turns over to Congress evidence of a pattern of instances in which the president had attempted to cover up other wrongdoing, more than half — 52 percent — said he should be impeached.

The survey of 1,015 randomly selected adults was conducted Wednesday through Friday. A separate survey of 416 adults was conducted Thursday and Friday, after U.S. missile strikes on suspected terrorist sites in Afghanistan and Sudan.

By a 3-to-1 ratio, Americans approved of Mr. Clinton's decision to strike at the organization suspected of directing the bombing of two U.S. embassies in East Africa. Only one in four said the president used the raids to divert attention from the Lewinsky investigation.

Many Americans also questioned whether Mr. Clinton could devote sufficient attention to the country's problems while dealing with his own. More than six in 10 said the scandal was interfering with his "ability to deal effectively with international terrorism and other problems around the world."

Few were surprised by Mr. Clinton's admissions last week, the poll found. More than eight in 10 said he merely confirmed their suspicions.

But nearly half said his televised speech last Monday had "disgusted" them. Four in 10 said they had felt "sad" to hear him admit an improper relationship with Ms. Lewinsky, and nearly as many said it had "embarrassed" them.

## POLITICAL NOTES

## Tight Race in Nevada

WASHINGTON — From the start, the U.S. Senate race in Nevada has been rated "one to watch" because of the potential vulnerability of the two-term Democratic incumbent, Senator Harry Reid. But if recent polls are on the mark, the contest might well be upgraded to "one of the most important to watch."

Surveys indicate that Mr. Reid leads his Republican challenger, Representative John Ensign, by only 5 percentage points or so.

As political pros see the race, Democratic leaders in the Senate should not yet bank on Mr. Reid to help them hold the line against Republican gains this fall. (NYT)

## A Decoration Lost

WASHINGTON — Fourteen years ago, at a solemn ceremony at Arlington National Cemetery, the Medal of Honor, America's highest decoration, was awarded to an anonymous representative of the Vietnam War whose remains were interred in the Tomb of the Unknowns, "known but to God."

The remains are now gone from the

tomb; they were identified in June using DNA technology and returned to family members for burial in St. Louis. But the medal will stay in Arlington, honoring those still missing from America's longest conflict, the Pentagon has announced.

Relatives of Lieutenant Michael Blassie, the air force pilot whose remains turned out to be those of the unknown, had asked that he be allowed to keep the medal.

But in a letter to the family, Undersecretary of Defense Rudy de Leon said the Pentagon had decided that the medal had been a symbolic award to all service members who lost their lives in the conflict and not to any individual service member. (WP)

## Quote/Unquote

Patricia Ireland, president of the National Organization for Women, as women continue to unscramble their reactions to the Lewinsky scandal: "Consensual sex with a White House intern is an abuse of power by the president, but consensual sex is not illegal harassment and it is not an impeachable offense. Nor is it in the best interest of our country for the president to resign." (WP)

## Away From Politics

• A 9-month old baby strapped into a car seat survived a four-car pileup in Palmdale, California, that killed his parents and another motorist, the police said. The baby, Jakob Stein, suffered a broken leg. His father, Keith Stein, 23, and mother, Teresa Stein, 22, were killed. (AP)

• An anonymous donor has given DePaul University in Greencastle, Indiana, a \$39.2 million gift — the largest gift in the private school's history. (AP)

• Chicory, a 13-year-old gorilla who survived landmark brain tumor surgery in 1994, died Saturday at the Brookfield zoo near Chicago. Chicory had shown no symptoms of medical problems and seemed to be in excellent health until his death. An autopsy was inconclusive, but further tests were pending, the zoo said. (Reuters)

Southern Africa Trade & Investment Summit  
Cape Town, December 1-2, 1998

Foreign investment in Africa receives higher rates of return than in other developing regions, and Southern Africa continues to create expanding opportunities for trade and investment. To assess the region's potential, the International Herald Tribune is convening the fourth annual Southern Africa Trade & Investment Summit in Cape Town on December 1-2.

Deputy President Thabo Mbeki and heads of state from the region will attend this high-level gathering. They will be joined by senior representatives from some of the world's foremost companies investing in Southern Africa, as well as business and finance leaders from the region.

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THE WORLD'S LARGEST NEWSPAPER

## INTERNATIONAL

## 12 African Leaders Urge Congo Cease-Fire but Do Little Else

The Associated Press

PRETORIA — African leaders on Sunday called for an immediate cease-fire in the Congo crisis, after a two-day meeting that lacked many of the key players.

President Nelson Mandela of South Africa told reporters the agreement was adopted unanimously by 12 members of the Southern African Development Community, who recognized President Laurent Kabila's continuing right to govern in the Congo in the face of a rebel incursion.

Mr. Kabila did not attend the meeting, but he sent a representative. The leaders also called for a troop standstill and urged the Congo to hold elections "within a reasonable amount of time, taking into account the realities"

of the country, the statement said. Mr. Kabila has ruled with an iron fist since he ousted the dictator Mobutu Sese Seko from the former Zaire last year, and he has alienated ethnic groups that helped him.

He claims that neighboring Uganda and Rwanda, whose presidents attended the meeting, are backing the disgruntled rebels in their attempt to unseat him.

President Yoweri Museveni of Uganda and President Pasteur Bizimungu of Rwanda deny Mr. Kabila's charges that they have been backing the rebel troops.

Mr. Mandela has sought to use his international stature to give South Africa a leadership role in the region, using the southern Africa development organization as the structure.

## ■ South Africa Fails to Lead

Suzanne Daley of The New York Times reported from Pretoria:

While South Africa attempted to find a peaceful resolution to the problems of the Congo, its unimpressive results so far are in some ways predictable.

After years as an isolated, pariah state, South Africa is still struggling to find its footing among its neighbors — many of whom remain suspicious and resentful.

In the four years since South Africa elected its first black president and joined the South African Development Community, its huge corporations have been quietly expanding across the continent elbowing out local competition.

And the international adulation afforded Mr. Mandela has clearly made

some of Africa's other leaders — particularly Zimbabwe's president, Robert Mugabe, who used to be the most influential regional leader — jealous.

So few experts in Pretoria were surprised that Mr. Mandela failed to bring Mr. Mugabe to the table. Mr. Mandela had hoped he could gather the leaders of Uganda, Rwanda, the Congo and Zimbabwe over the weekend to hammer out a peaceful resolution.

Both Mr. Bizimungu of Rwanda and Mr. Museveni of Uganda, who are widely believed to be supporting the rebels, arrived in Pretoria as planned. But both Mr. Kabila of the Congo and his ally, Mr. Mugabe, sent word that they were ill.

Mr. Mandela's hope was that he could negotiate a cease-fire and then present a

plan for the future to a Sunday meeting of all the members of the Southern African Development Community. Instead, the group only issued a statement "calling for a cease-fire."

"The countries directly affected by the situation in the Congo undertook to desist from any hostile propaganda against one another and any other activities which may result in increasing tensions," the statement said.

But under questioning, Mr. Mandela had to admit that there was no timetable or mechanism in place for a cease-fire. Nor was it clear whether Mr. Kabila himself had approved of the statement. Angola, which like Zimbabwe has sent troops into the Congo to help prop up Mr. Kabila, was also not present at the Sunday meeting.

## BRIEFLY

## Iraq May Soon Get New UN Inspection

UNITED NATIONS, New York — The chief UN arms inspector for Iraq, Richard Butler, has warned that he might soon test Baghdad's resolve to block further weapons inspections by sending his team to examine a new site.

"I do not rule this out," said Mr. Butler, the Australian diplomat who is charged with eliminating Iraq's weapons of mass destruction. "We have plenty of interesting information, and it is I who decide when to launch an inspection."

On Aug. 17 the Security Council called Iraq's refusal to allow the inspectors to visit new sites "totally unacceptable," and instructed the inspectors to continue their work. But it studiously avoided making any new threats against Iraq or saying what it would do if the inspectors were stopped. (NYT)

## Castro Makes Up With Old Adversary

SANTO DOMINGO, Dominican Republic — Fidel Castro of Cuba and his old adversary, Joaquín Balaguer, the former president of the Dominican Republic, hugged each other on Sunday in a remarkable meeting of two aging Latin American strongmen.

In a scene that defied decades of antagonism, Mr. Castro sat next to Mr. Balaguer on a sofa in a small room in Mr. Balaguer's Santo Domingo compound. "As a soldier, I am at your orders," Mr. Balaguer, 92, was heard to say to Mr. Castro.

Mr. Castro, 72, and Mr. Balaguer, a conservative who ruled the Dominican Republic for 22 of the last 36 years, exchanged compliments and chatted for about 40 minutes. (Reuters)

## Terrorist Abu Nidal Called Gravely Ill

BEIRUT — The Palestinian guerrilla chief Abu Nidal, wanted in the West for scores of terrorist attacks, is dying of cancer in a private hospital in Cairo, an Arabic newspaper on Sunday quoted Palestinian sources as saying.

Sharq al-Awsat, published in London, said that Sabri al-Banna, better known by his nom de guerre of Abu Nidal, (Father of the Struggle), "is under care in a private hospital in Cairo after his health has grown worse." (AFP)

## Spanish Report Says Algeria Could Make Nuclear Arms Fuel

MADRID — Spanish military intelligence has predicted that Algeria will be able in two years to produce weapons-grade plutonium, a newspaper reported here on Sunday.

Weapons-grade plutonium is a key ingredient for making atomic bombs. The newspaper El País quoted a report by the military intelligence service, CESID, as saying that Algeria, despite having signed the Nuclear Nonproliferation Treaty, had forged ahead with a nuclear program that far exceeded its civilian needs.

El País quoted the report as saying that Algeria had been aided by China and Argentina under technical accords reached in the 1980s.

The newspaper said that the intelligence report had been submitted to the government last month. El País said that CESID agents had reported that the nuclear complex at Birme, 250 kilometers (155 miles) south of Algiers, had a heavy-water reactor in operation already that was capable of producing weapons-grade plutonium.

Algeria has always denied that its two nuclear reactors were intended for any military use.

In 1991, it denied reports by American and British news organizations that one of the reactors, built by China, was intended for the production of arms.

The country formally renounced nuclear arms in January 1995, when it joined the nonproliferation group.

It signed an agreement in 1996 with the United Nations International Atomic Energy Agency to open its reactors to inspection.

In Algiers on Sunday, the government immediately dismissed the report in the Spanish newspaper.

"This information is completely false and is mere fantasies," Abdelaziz Sbaï, a spokesman for the Foreign Ministry, said.

Here in Madrid, Spanish officials were not available for comment.

Mr. Vedrine, who met with President Mohammed Khatami, said he had delivered an invitation for him to visit Paris at a date to be arranged later. The Iranian foreign minister, Kamal Kharrazi, is expected to visit Paris late this year or early next year, Mr. Vedrine said.

He added that senior officials in Tehran had stressed their condemnation of terrorist attacks.

"All the Iranian leaders whom I met, said to me very solemnly, and insisted on this, that they condemned absolutely acts of terrorism, including recent events of the last few months," he said.

## CONGO: Rebels Claim Advance

Continued from Page 1

Mr. Kabila, who with the backing of Rwanda and Uganda overthrew the dictator Mobutu Sese Seko 15 months ago, has accused his former allies of fueling the rebellion.

Both countries have dismissed the charges but have threatened to intervene if Zimbabwe and Angola do not pull out.

Soldiers led by ethnic Tutsi began the rebellion in the east of the country on Aug. 2 after Mr. Kabila ordered all Rwandan troops to leave the former Zaire.

Rwanda and Uganda say their national security is at stake.

In the Congolese capital Kinshasa the mood was calm, with residents apparently taking events in their stride.

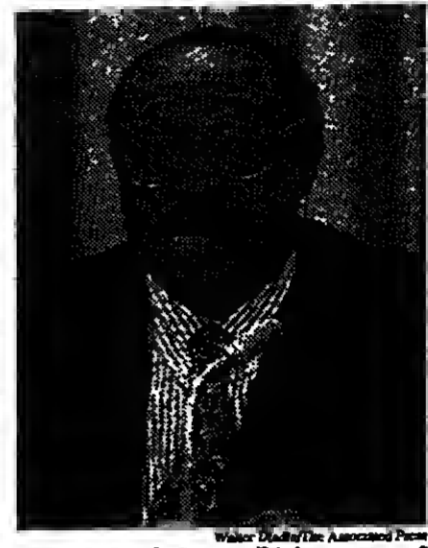
"We don't feel threatened," a 53-year-old jogger, Henri, told Reuters as he and several friends sweated their way along a dusty track at a soccer field in the northern Gombe district.

The veteran opposition leader Etienne Tshisekedi, calling for a cease-fire, said the conflict was an internal issue and should be dealt with accordingly.

Mr. Kabila's rule over this vast and fractured country has been criticized widely. Despite some economic reforms and enhanced personal security for residents, Mr. Kabila's reign has been marred by his ban on political parties, the jailing of opponents and his government's attitude of suspicion toward foreign investment.

And Congo has been sidelined internationally, with little foreign aid coming in, because of Mr. Kabila's refusal to allow a United Nations team to investigate massacres allegedly committed by his and Rwandan forces during their campaign against Marshal Mobutu.

None of Mr. Kabila's many fallings-out has been more dramatic than the



President Pasteur Bizimungu of Rwanda during talks in Pretoria.

recent one with Uganda and Rwanda. So close were they that Rwandan officers once led Mr. Kabila's army, and Uganda offered its guidance as the senior coalition member. But the alliance collapsed over border security issues and disputes about the balance of regional power among them. Rwanda and Uganda refused in May to attend a regional summit meeting on peace and security; nor did they attend the anniversary celebrations that same month marking Mr. Kabila's first year in power.

The rebellion began when ethnic Tutsi in the Congolese Army mutinied against Mr. Kabila. It began in the country's far east, but quickly moved by air when rebels hijacked several airplanes to ferry troops to the far west. The Tutsi coalition, representing a small regional minority, soon was joined by other political and military factions. Rwanda denies playing a role, which diplomats say is indisputable. But, like Uganda, Rwanda has been publicly to join the fight. (Reuters, AP, WP)

## RUSSIA: Another Shake-Up

Continued from Page 1

flation. And the decision to restructure the government's debt probably ensures that the Kremlin will be unable to borrow money from private investors for many months, or perhaps years.

The Russian press heaped scorn on Mr. Yeltsin, saying he had deceived himself along with the ruble. Public confidence in him is at a record low.

The Duma, the lower house of the Russian Parliament, exonerated Mr. Yeltsin in an emergency session Friday and recommended, by an overwhelming vote, that he resign.

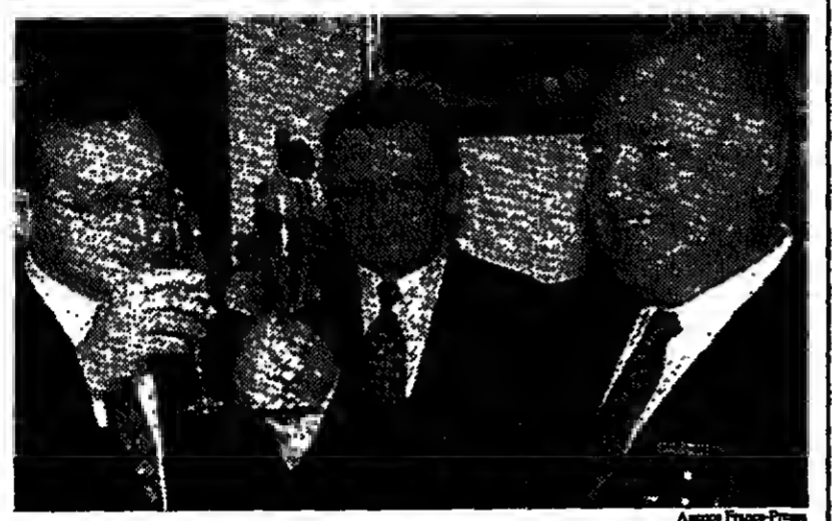
On Friday, Mr. Chernomyrdin said: "We do not have any government today. And let's not lie about it. The government is to blame for what has happened, and naturally the Central Bank. We need to move the economy away from the abyss."

A former Soviet bureaucrat who once headed the national gas monopoly, Gazprom, Mr. Chernomyrdin has been working since March to garner support for a run for the presidency in 2000.

Although Mr. Yeltsin appointed him only temporarily to the post of prime minister, his re-entry in the government gives him more credibility as Mr. Yeltsin's successor.

The terse announcement from the presidential press service said only that the government had resigned. Mr. Kiriyenko was at work Sunday, trying to work out measures to save Russia's banks from collapse.

Only with great effort was Mr. Kiriyenko confirmed by the Russian Parliament in the spring. Since then, he has won the respect of many Western leaders for his commitment to reform, his calm in the face of crisis and his businesslike approach.



Mr. Chernomyrdin, right, named acting prime minister Sunday, raising a toast in happier times with the man he replaced, Sergei Kiriyenko.

On Friday, Mr. Kiriyenko told the Duma that the brunt of the financial crisis was still to come and the government did not have the luxury of popularity.

Investments do not come into a country in which the branches of government cannot come to terms between themselves," he said. "As a result, there are constant calls for a change of course."

According to the Interfax news agency, Mr. Chernomyrdin was already holding consultations on forming a new government Sunday night. By law, the president cannot fire the prime minister without firing the entire cabinet.

The chairman of the Duma, Gennadi Seleznyov, hailed Mr. Kiriyenko's decision to fire Mr. Kiriyenko. He told Interfax that he had expected the government to be removed because "it is not capable of working efficiently."

But he expressed apprehension about Mr. Chernomyrdin's appointment.

"This endeavor is unlikely to succeed, since Kiriyenko's government,

which survived just over 100 days, continued what the former cabinet was doing," he said.

Gennadi Zyuganov, leader of the Duma's Communist Party, said Mr. Yeltsin fired the government without consulting legislators.

"It is an upside-down decision," he said. "The president has another option: First, hold consultations with members of Parliament, determine priorities in this issue and then act."

He did not comment directly on Mr. Chernomyrdin's appointment, saying only, "We have not had a government since spring, and we spoke about it repeatedly."

Alexander Shokhin, head of the Our Home is Russia faction, applauded the return of Mr. Chernomyrdin, who he said could stabilize the situation.

Although some blame Mr. Chernomyrdin for the current crisis, Mr. Shokhin said, he is not "a merely technical prime minister," like Mr. Kiriyenko, and his government will probably be supported by the legislature.

## CLINTON: Pressure Mounts on President to Go Further in Seeking Understanding of Lewinsky Matter

Continued from Page 1

to offer a full apology for the relationship he has acknowledged having had with Ms. Lewinsky, and for angrily attacking the investigation led by Mr. Starr.

Mr. Carville said on NBC that "the president's going to have to speak to us again."

"This thing still hasn't been brought to closure," Mr. Carville said, "and in the end he's going to have to do more to help bring it to closure."

That view was echoed by the Reverend Jesse Jackson, the civil rights leader who, as a Clinton family friend, has spent hours in recent days meeting with the president and his family.

"I hope that he will, in time, that he will say more," Mr. Jackson said on CBS.

Referring to Mr. Clinton's speech last

week, Mr. Jackson said, "I thought it should've been more contrite, because in his own private quarters there is a contrition, a sense of shame, a sense of embarrassment."

The speech surprised both friends and foes, who generally recognize Mr. Clinton's political talents even if they disagree with his positions. "This is the first politically stupid thing I've ever seen this president do," said a former speech writer for President George Bush, Mary Matalin.

Mr. Carville, Ms. Matalin's husband, said that he thought Mr. Clinton was mistaken to make the televised speech after a day of grueling testimony in the White House Map Room before Mr. Starr and other prosecutors investigating the Lewinsky matter. "A guy should never go out when he's tired," Mr. Carville said, "and he was tired, he'd been under stress all day."

Another Clinton supporter, Senator Joseph Biden, Democrat of Delaware, also said that the president should address the public again. Neither Mr. Clinton nor Mr. Starr, he added, had "acted honorably."

There appears to be growing interest among some in Congress in a censure resolution, a rebuke without legal ramifications, as a way short of impeachment to deal with issues raised by the Lewinsky matter.

Mr. Conyers, asked if a censure vote was possible, replied, "It certainly is, and it would be in the range of possibilities like everything else."

Mr. Carville, asked the same question, said, "I don't think the time you jump on a friend is when a friend is down."

While Mr. Clinton has maintained high levels of public job support, criticism has spread beyond the circle of his usual detractors since he admitted to

having had an "inappropriate" relationship with Ms. Lewinsky.

On Sunday, Sam Nunn, a respected former Democratic senator from Georgia, wrote in an opinion piece in The Washington Post that Mr. Clinton's handling of the Lewinsky matter had resulted in "a weakening of the office of president, a lowering of our moral discourse, the exposure of our children to a negative role model, increased public cynicism toward elected officials."

"This," he added, "will require personal sacrifice and may even require his resignation."

Still, public support for impeachment, if the sole ground is that Mr. Clinton lied about Ms. Lewinsky under oath, remains low. That would change somewhat, polls show, if the Starr report, expected to be sent to the House in coming weeks, also provided persuasive evidence of subornation of perjury or obstruction of justice.

## ■ Censure Has No Consequences

The idea of a censure resolution, which the Senate majority leader, Trent Lott of Mississippi, first broached in March, would have no legal ramifications but could solve Congress's current political dilemma, The Washington Post reported.

"In effect, it would let every member of Congress, House or Senate, go on record as disapproving of the behavior in question," explained Thomas Mann, director of governmental studies at the Brookings Institution. "This is a route they may very well want to follow. It may provide a way out for them."

Representative John LaFalce, a New York Democrat, said censure would allow lawmakers to address the fact that Mr. Clinton had lied about having an affair without forcing the House and Senate to undertake impeachment proceedings.

## Hard-Line Ex-Chief Prosecutor Is Slain by 2 Gunmen in Tehran

Compiled by Our Staff From Dispatches

TEHRAN — A former Iranian chief prosecutor was shot and killed Sunday by unidentified assailants, the official Iranian press agency, IRNA, reported.

Assadollah Lajevardi, who also was a former chief of Iranian prisons, was killed by two gunmen at his drapery shop in Tehran's grand bazaar, the agency said.

One of the gunmen opened fire with a Uzi as Mr. Lajevardi, 63, was speaking to them, IRNA said. Police arrested one of the assailants. The fate of the other gunman was not immediately known.

Mr. Lajevardi's brother and an elderly man who tried to intervene also were shot and killed, the press agency said.

A Baghdad-based opposition group, Mujahidin Khalq, claimed responsibility for the attack.

"At noon today, Mujahidin operational units in Tehran carried out an operation targeting Assadollah Lajevardi, the Butcher of Evin," it said in a statement read over the telephone to The Associated Press office in Cairo. Mr.

Lajevardi was a former head of the notorious Evin prison in northern Tehran. The group said it had timed the attack to coincide with the 10th anniversary of a massacre of political prisoners in Iran.

The killings of Sunday were the first major operation by the Mujahidin in Tehran since June, when three people died in a bomb attack on a court building in the capital.

State-run Iranian television described Mr. Lajevardi as a "tireless struggler for the Islamic revolution" and "a selfless soldier," of the late spiritual leader Ayatollah Ruhollah Khomeini and a "companion" of the current leader, Ayatollah Ali Khamenei.

Mr. Lajevardi, a hard-liner who supported the Parliament speaker, Ali Akbar Nateq-Nouri, in last year's presidential election, was a founding member of the Coalition of Islamic Morning Group, an influential body whose members hold key government posts.

## French Minister, in Tehran, Sees Readiness to Build Ties With West

Reuters

TEHRAN — The French foreign minister, Hubert Vedrine, wrapped up a ground-breaking visit to Iran on Sunday, saying he was convinced of Tehran's readiness to build its relationship with the West.

He also said he did not believe a renewal of tension between the United States and some Islamic countries over U.S. air attacks on suspected terrorist targets in Sudan and Afghanistan would affect this process.

"I did not have the feeling that recent events would change this," Mr. Vedrine

said at the conclusion of the first visit to Iran by a French foreign minister since 1991.

The European Union lifted a ban on high-level contacts with Iran in February. Mr. Vedrine's visit is expected to help pave the way for intensified economic cooperation between France and Iran.

The Iranian government, he said at a news conference, "wants to see the country recover the place that belongs to it."

He added: "They want to do it under certain conditions. They are very attached to their identity and their values. Nonetheless, the general idea is to develop dialogue and intensify relations."

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## EUROPE

## Kohl and Schroeder Hit the Campaign Trail as German Race Narrows

By Edmund L. Andrews  
New York Times Service

BERLIN — Germany's two main political parties began the barnstorming phase this weekend of their election campaigns, with Chancellor Helmut Kohl and his Christian Democratic Union in an uphill fight to avoid being removed after 16 years in power.

With the elections scheduled for Sept. 27, Mr. Kohl lags significantly in popularity polls behind Gerhard Schröder, the comparatively telegenic candidate of the Social Democratic Party.

But the most recent polls show that the race is getting much closer and that a large percentage of Germans are unhappy about both candidates.

While many voters say Mr. Kohl is tired and uninspiring, many are also skeptical about Mr. Schröder and his vague pledges to reduce unemployment through an "alliance for jobs" between corporations, unions and the government.

The ambivalence and uncertainty characterizes voters as well as the can-

didates. About 50 percent of the voters are either undecided or at least shaky about their preferences, more than in past elections. And even though unemployment remains at near-record levels and taxes continue to climb, neither party is campaigning for fundamental changes.

Indeed, at kick-off rallies by each party this weekend, each candidate spent much of his time harking back to the past.

Mr. Kohl, at a rally Sunday before 20,000 Christian Democrats in Dortmund, returned time and again to his years of experience as chancellor and his role in the reunification of Germany in 1990.

"We are proud that, in our most important hour, we made the right decisions," he said. "We in the CDU have written a very important part of history."

Mr. Schröder is campaigning on his image as a vigorous and somewhat pro-business leader who has an eye on the future. But his most specific promises so far have looked toward preserving Ger-

many's traditional and generous social welfare system.

He has vowed to reverse modest cuts in pension and sick-leave benefits that Mr. Kohl pushed into law.

Speaking to about 14,000 supporters in Bonn on Saturday, Mr. Schröder also looked backward by dwelling on the need to preserve social programs rather than on the need for deep change.

"We want a work society in which a person can go into a factory without fear, in which one works because he is motivated," Mr. Schröder shouted hoarsely to a rain-drenched crowd. "The strength of this country, the strength of this economy, comes not from the 100 millionaires who send their money out of the country. It comes from the millions of workers."

Many analysts now predict that neither party will win enough seats in Parliament and that both will be forced to enter a "grand coalition."

"The politicians are afraid of telling the public that the reforms they need will cost a lot of money and bring a lot of pain," said Jürgen Falter, a political

scientist and voting analyst at Johannes Gutenberg University in Mainz. "But I think many people are really angry about being treated like children. The skepticism among voters about the ability of politicians to solve their problems has increased."

But other analysts believe that the campaign is going through major changes. They note that leaders within the Social Democratic Party have begun to hint at their own willingness to join the Christian Democrats in a "grand coalition," assuming Mr. Schröder is in charge.

Until recently, Social Democrats have insisted that they would most likely form a coalition with the Green Party, a former environmentalist party that has broadened its appeal.

But the Greens have lost considerable popularity in the last two months, partly because they have called for a huge increase in gasoline taxes as well as for a new speed limit on German highways—proposals that strike at the heart of many Germans who love to drive powerful cars at blinding speeds.

Mr. Schröder has bluntly ridiculed both proposals. The Greens have seen their support in polls drop from about 12 percent in November to about 6 percent now. Last week, the head of the Social Democrats, Oskar Lafontaine, said he would be willing to enter a coalition with the Christian Democrats if his party had no alternative.

Mr. Kohl has attacked any hint of forming a broad coalition, possibly fearing this might induce undecided voters in the political center to vote for the Social Democrats.

But some analysts predict that the danger of being forced into such a coalition will prompt Mr. Kohl and the Christian Democrats to sharpen their tone and stress deeper policy differences.

"We've had a very sleepy electoral campaign so far, but I am quite sure that the sleepy phase comes to an end right now," said Werner Patzelt, professor of political science at Dresden Technical University.

"The Christian Democrats have to show that there is no basis for a grand

coalition, that there is a real difference between the two parties," he added. "That means that they will have to show people that this election is one about the fundamental direction of the country."

## ■ Voters Back 'Grand Coalition'

A "grand coalition" between the governing conservative parties and the opposition Social Democrats would be the best way to solve the country's problems, a majority of Germans said in an opinion poll to be published Monday, Agence France-Presse reported from Bonn.

In the survey for the weekly magazine Der Spiegel, 54 percent of those surveyed said they favored a coalition between the Christian Union parties and the Social Democrats.

Polls predict that neither the Christian Union parties nor the Social Democrats will win an overall majority, making alliances with smaller parties necessary.

An Emnid Institute poll of 1,500 people found that 26 percent of voters are still undecided.

## Guards Kill Albanian at U.S. Complex

By John Kifner  
New York Times Service

TIRANA, Albania — American security men shot and killed an Albanian police officer on Sunday in a bizarre incident in which he apparently attempted to enter the closed U.S. Embassy.

Several bursts of automatic-weapons fire and individual shots cracked through the capital just before noon on a sleepy Sunday.

Albanian police rushed to seal off the area around the embassy, a big yellow stucco complex behind an iron fence. Two recreational vehicles filled with heavily armed Americans in civilian clothes were seen wheeling out of the area.

The embassy was shut down a week ago and many of its personnel evacuated in the face of what U.S. officials regarded as a serious bomb threat. This summer, Albanian secret police operating under the direction of American intelligence, arrested five wanted Egyptian Islamic terrorists.

The handful of remaining American diplomats are working from behind the gates of their suburban-style residential compound, where Marine reinforcements have dug a sandbag machine-gun nest on somebody's front lawn.

Witnesses on the street said the American security men yelled at the policeman to put down a revolver he held in his hand and, after warning bursts over his head, shot him when he did not. By some accounts, he was trying to climb the iron fence. Albanian police were also reported to have fired in the air.

Albanian officials said the uniformed policeman, who was not immediately identified, was normally assigned to the Central Bank. There was no immediate explanation of his act.

## Serbs and Kosovo Rebel Army Renew Attacks

Compiled by Our Staff From Dispatches

PRISTINA, Yugoslavia — Ethnic Albanians accused Serbian forces of launching a "strong and massive" artillery attack Sunday on several rebel-controlled villages in southwestern Kosovo.

The reported assault came a day after the Serbs accused guerrillas from the Kosovo Liberation Army of firing on Serbian police and a Yugoslav Army unit in the same region, along the road leading south from the provincial capital Pristina.

Civilians fled from the area, the Kosovo Information Center said.

The center, which is close to the pro-independence Kosovo leadership, said the assault began after police ordered residents early Sunday to evacuate a suburb of Suva Reka, 45 kilometers (about 30 miles) southwest of Pristina. The police then took positions there to open fire on the KLA, the center maintained.

The reported attacks could not immediately be confirmed.

After a string of defeats in recent weeks, the KLA announced it would switch to guerrilla tactics rather than face the powerful Serbian police and Yugoslav Army in an open confrontation.

The latest Serb actions, if confirmed, may have represented a retaliatory move.

The ethnic Albanians claimed the Serbs have embarked on a new offensive to purge the rebels and secure important roads. They cited another alleged attack on a cluster of villages several kilometers to the north, closer to Pristina.

Fighting was also reported west of Pristina, where the government forces launched a grenade attack against nearby villages, causing a new flood of refugees, ethnic Albanian sources said.

A spokesman for the Yugoslav Army was quoted by the state press agency, Tanjug, as saying the army had "liquidated" more than 450 "Albanian terrorists" in the troubled province. The spokesman said "border units will continue to perform their duties of protection of the state border and defense of sovereignty of Yugoslavia," adding that "there will be no passage for terrorists."

The press agency said the toll did not include members of the Kosovo Liberation Army.

The Kosovo Human Rights Committee said last week that 583 ethnic Albanians, most civilians, have been killed since the start of the conflict six months ago. At least 230,000 people, mostly ethnic Albanians, have been displaced since fighting escalated.

Albanians outnumber Serbs by roughly 9-1 in Kosovo. Clashes between rebels and government forces began after the Serbs launched a major offensive on Feb. 28. (AP, AFP)

## Irish Leader Foresees a Long Battle for Peace

The Associated Press

BELFAST — The prime minister of Ireland, Bertie Ahern, predicted that opponents of Northern Ireland's peace accord would mount more attacks, despite a security crackdown and general revulsion over the Omagh bombing.

"I'd love to say to you that I believe this is the last event," Mr. Ahern said in a BBC interview that was broadcast Sunday. "But I think there is a small element — and they are small — who do not share that feeling. They believe that they have some kind of a mandate, from some period in history, that gives them some right to do this."

The prime minister's interview was recorded Saturday, after he joined more than 20,000 people in Omagh for an emotional memorial to the 28 people killed there by a car bomb on Aug. 15.

The Irish Republican Army formally stopped its bombing and shooting in July 1997, but three dissenting factions continued their violence in pursuit of the IRA's traditional goal, which is to abolish Northern Ireland's link with Britain.

The group that claimed responsibility for the Omagh bomb, a faction calling itself the Real IRA, said Wednesday it had "suspended" violence, a step apparently short of a cease-fire.

But the Continuity IRA, another group that emerged following an abortive IRA cease-fire in 1994, has remained silent. It has detonated

bombs in several towns since 1995, causing much destruction but no deaths.

Like the Real IRA, the Continuity IRA has its roots in the counties of the Irish Republic that border Northern Ireland. Security officers say they believe the group has only a few dozen members.

Prime Minister Tony Blair, of Britain, is to visit Omagh for the first time on Tuesday. He is expected to announce plans to toughen the anti-terrorist laws.

One of the measures being considered by Mr. Blair's government is one that would allow testimony from a senior police officer to be deemed sufficient evidence to convict suspects of belonging to a paramilitary group.

Mr. Ahern announced on Wednesday that a similar measure would become law within weeks in the Irish Republic.

In an article published Sunday in the Observer in London, Mr. Blair rejected hard-line appeals for his government to assassinate persons thought to be leaders of the Real IRA.

"Yes, the group behind this bombing is small in number and the names of many are known to us," Mr. Blair wrote. "In a world dominated by terror, yes, we could, to use the parlance, 'take them out.'"

But Mr. Blair wrote, to kill those on the intelligence list of Real IRA leaders would undermine Britain's democratic credentials.



Prime Minister Tony Blair and Mrs. Blair going to church Sunday in France.



Immigrants protesting Sunday at church in Paris.

## Immigrants March in Paris Demanding Residence Rights

PARIS — Illegal immigrants marched in Paris on Sunday to demand residence rights in a protest marking the second anniversary of their leaders' ejection from a church by ax-wielding police.

Several hundred immigrants and supporters marched outside Saint-Bernard Church in northeast Paris, which has become the symbol of their dogged struggle.

Interior Minister Jean-Pierre Chevènement ruled out granting residence permits across the board to more than 140,000 illegal immigrants who have applied. He said 75,000 had been given permits, 62,000 had been rejected and 7,500 cases were under study. (Reuters)

## More Auschwitz Crosses Set Up

OSWIECIM, Poland — Despite calls by church officials to stop, conservative Catholics erected dozens more crosses Sunday next to the former Nazi death camp of Auschwitz.

The new crosses, some of them hand-carved, were certain to anger Jewish leaders who want all crosses removed from the site, including an eight-meter (26-foot) papal cross that has stood there for almost a decade.

Most of the more than 50 crosses put up Sunday were four meters tall and increased the total number of crosses in the field bordering Auschwitz to well over 100. (AP)

## Swedes Put Off Party Choice

STOCKHOLM — As many as 31 percent of Swedish voters are unsure of which party they will vote for in the general election next month, according to an opinion poll published Sunday.

With less than four weeks to go before the election on Sept. 20, the SIFO poll, taken from Aug. 17 to 20, showed a drop in support for most parties. (Reuters)

## For the Record

Polish emergency workers were battling a huge heating oil spill on the River Odra on Sunday to prevent it from reaching Germany, an environmental official said. In Germany, the river is known as the Oder. (Reuters)

## ASIA/PACIFIC

## Concern in Hong Kong: A Sharp Tongue Is Silenced, for Now

By Mark Landler  
New York Times Service

HONG KONG — On any given morning here, you could turn on the radio and hear Albert Cheng lay into Beijing, the Hong Kong stock index, politicians, property tycoons, lawyers, newspaper editors — in short, anything that matters in this former British colony.

Last Wednesday morning, two unidentified men attacked Mr. Cheng with

carving knives as he arrived at work, inflicting deep slashing wounds on his arms, back and right leg that required six hours of surgery.

Mr. Cheng will survive. But in a city where talk radio has become a vital form of public expression, the brutal assault on its most famous practitioner has left people reeling. Doctors said he may no longer be able to wield chopsticks. Listeners fear he may no longer wield his sharp tongue.

"I see it as a threat to

people who want to be outspoken," said Emily Lau, a member of the Legislative Council and herself a vocal critic of both Beijing and the Hong Kong government.

"People may say, 'Why should I bother?'"

Mr. Cheng's radio program, "Teacup in a Storm," is far and away the top-rated morning show in Hong Kong. It has become a potent outlet for the territory's 6.5 million people to sound off about issues ranging from the Asian financial crisis to Hong

Kong's handover to Chinese rule last year.

And it turned the 52-year-old Mr. Cheng into one of the most influential — and controversial — figures in town.

The police said Friday they did not have a motive for the assault, which occurred as Mr. Cheng was striding into the studios of his station, Commercial Radio, in Kowloon.

Police inspectors said they were studying tapes of Mr. Cheng's last 40 radio broadcasts to see if he had made

remarks about people or groups that might have been deemed offensive.

If being offended by Mr. Cheng was a sufficient motive to attack him, most of official Hong Kong would fall under suspicion. In a raspy voice and style that he himself describes as "sarcastic," Mr. Cheng regularly buried insults at Hong Kong's chief executive, Tung Chee-bwa, and many of his top advisers.

Of Mr. Tung, who was appointed by Beijing, he once said: "We don't even know where this guy came from. He is so conservative. He's from outer space and out of time. Where'd they find him?"

People look to him to speak up for Hong Kong. Now people know he's only a mouthpiece for China."

Mr. Cheng also has a television program, "Hong Kong Affairs." And when the Hong Kong secretary for education and manpower, Joseph Wong, declined to appear on it, Mr. Cheng flayed him so mercilessly on the show that the ATV broadcasting company apologized. Mr. Cheng then publicly repudiated the apology, saying he had meant to insult Mr. Wong.

But Mr. Cheng has taken his strongest stands against China. Before the handover, he warned that Hong Kong could become a larger version of Singapore, a prosperous but politically repressive city.

After the handover, Mr. Cheng seized on any hint that Beijing was eroding civil

liberties in Hong Kong.

Although Mr. Cheng feared he would be yanked off the air after the handover, he had continued to broadcast without interference.

Even now, some local journalists are playing down the assumption that Mr. Cheng was attacked because of his strong views. They note that Mr. Cheng also had a colorful business career in which he published the first Chinese-language edition of Playboy magazine.

"We don't know the motives behind this crime," said Kin-ming Liu, the chairman of the Hong Kong Journalists Association. "We may never know."

Indeed, the two most notorious attacks on Hong Kong journalists in recent years remain unsolved. Leung Tin-wai, a magazine publisher, was attacked and his left forearm chopped off with a meat cleaver by two men outside his office in May 1996.

Jimmy Lai, a Hong Kong media magnate known for his criticism of China, was robbed in his home by knife-wielding intruders in December 1995.

Given the striking similarity between last week's attack and that on Mr. Leung two years ago, Mr. Cheng's co-host, Peter Lam, believes this is hardly a case of a business deal gone sour. "Albert thinks there is a high degree of probability that it was related to remarks he made on the air," he said.

## Obuchi Gets Draw in Elections

TOKYO — Prime Minister Keizo Obuchi came away with a draw on Sunday in the first judgments by voters on his new administration's efforts to haul Japan out of its worst recession since World War II.

Candidates from the governing Liberal Democratic Party won one Lower House by-election and lost a second to the country's largest opposition group in the first parliamentary elections Obuchi has faced since taking office a month ago.

The results left unchanged the balance of parties in the decisive 500-seat lower house, where the LDP has a 14-seat majority. (Reuters)

## New Party Is Born in Indonesia

JAKARTA — Indonesia's popular Muslim leader, Amien Rais, launched his new National Mandate Party before 20,000 supporters on Sunday, promising to fight for pluralism, equality and reform.

"The party is made up of Indonesians representing different beliefs and schools of thought, ethnicity, race, religion and gender," Mr. Rais said. Its stated goals include

land and army reform and the adoption of economic policies that support "the weak." (Reuters)

## Aid Center Closed After Deaths

MANILA — President Joseph Estrada ordered the temporary closure Sunday of a government aid center here after two women were trampled to death as hundreds of people stampeded to get forms for jobs, food and medicine.

Mr. Estrada had opened the center shortly after he took office on June 30 to highlight his administration's concern for the welfare of millions of poor Filipinos. (AP)

## Cambodians Defy Ban to Protest

PHNOM PENH — About 10,000 Cambodians defied a government ban Sunday and joined a demonstration to demand a thorough investigation into opposition allegations of fraud in last month's elections.

The protest, spearheaded by the opposition politician Sam Rainsy and senior officials from the FUNCINPEC party of the deposed co-Prime Minister Prince Norodom Ranariddh, was noisy but peaceful. (Reuters)

Handwritten text in Arabic script, possibly a signature or date, located at the bottom of the page.



## Target: Terrorism / A Bolder Policy

## America Runs Out of Patience for Building Consensus Against Its Enemies

By Steven Erlanger  
New York Times Service

WASHINGTON — American and Western officials describe the Clinton administration's decision to use missile strikes to respond to the September bombings in East Africa as a significant departure from its past practice of seeking international support and UN authorization for American military action.

In the past, citing "aggressive multilateralism," the Clinton administration has waited for law enforcement authorities to come to a conclusion or has sought the broadest possible international support for its actions. It has preferred to use sanctions or to secure a United Nations Security Council resolution authorizing the use of force after presenting the evidence.

But with the long stalemate in the Middle East, the lack of Saudi cooperation in the investigation of the 1996 bombing of American soldiers at Khobar Towers and the shift in Iraqi policy because of irresolution from the Security Council, President Bill Clinton was less inclined to

wait and allow America "to again appear weak or irresolute," a senior U.S. official said.

"This is a departure," a senior State Department official said. "This is the beginning of a serious effort to go after terrorists who threaten Americans."

Several officials, all of whom spoke on condition of anonymity, defended the rapid use of military force against the alleged terrorism network of Osama bin Laden, citing several factors: the ambivalence of Muslim allies, the delay at the United Nations in dealing with Iraq, and mounting evidence of plans for more attacks on American embassies.

Another official emphasized the importance of imminent threat rather than retaliation. "We're not in the tit-for-tat business," the official said. "We're in the deterrence business." Deterrence, he suggested, is not built on legalistic niceties or delay.

A senior White House official said: "The threat was credible and imminent to American citizens. It was directed to us, not to the UN. To take other measures would have risked human lives."

American credibility in the Arab world was already damaged because of Washington's inability to secure an interim settlement in the Middle Eastern peace negotiations. Arab governments are reluctant to provide public support for U.S. military operations like Thursday's, even when they are aimed at Mr. bin Laden, who is alleged to be working to undermine those very governments.

Senior Arab diplomats said that Arab ambassadors complained Friday to the assistant secretary of state for Near Eastern affairs, Martin Indyk, that striking Sudan, a member of the Arab League, was a strategic error. They noted that even Egypt had chosen to keep publicly silent about the strikes. The state-controlled press in pro-Western Gulf states like Qatar and Abu Dhabi sharply attacked the American strikes as arrogant.

But these governments did not make a point of defending Mr. bin Laden in private.

Hala Makoud, president of the American-Arab Anti-Discrimination Committee here, said the strikes "reinforce the impression that the

U.S. is trigger-happy when it comes to the Arab world." While Sudan and the Taliban, the militant Islamic group that controls most of Afghanistan, are isolated among other Muslims, she said, "because of the Israeli stalemate and frustration, the Arab world ends up sympathizing with Sudan and Taliban."

The impression is that the United States preempted the results of its investigation, did not give Afghanistan a chance to hand over bin Laden, did not go to the Security Council or show evidence or rally world opinion or consult its allies, but just is going it alone and undermining the international community and its will.

Ironically, senior American officials say there are indications of significant progress just in the past few days in negotiating an agreement between Israel and the Palestinians over a 13 percent withdrawal of Israeli troops from the West Bank.

The Americans thought they would have more support, given Mr. bin Laden's presumed threat to Arab regimes, according to Kenneth Katzman, the senior Middle Eastern analyst at the Con-

gressional Research Service, "but the Arab street matters, and moderate Arab governments are afraid of inflaming bin Laden supporters in their countries, and the numbers of those supporters have increased. Egypt and the Saudis are nervous in part because they don't want bin Laden to be made into a martyr, and drive more young people into Islamic Jihad."

More young Arabs, Mr. Katzman said, sympathize with Mr. bin Laden's desire "to force the infidels out of the Muslim world," and Israel and the United States are the main interlopers, at least since the Afghans evicted the Soviet Union.

Robert Kagan of the Carnegie Endowment applauded the missile strikes. "It is a departure for this administration, and it points up their manifest failure to rally allies behind the American use of force, especially when it comes to the Security Council," he said.

"Now, if you wound bin Laden, you've got to kill him," Mr. Kagan added. "But that's a real campaign, and it may entail more serious foreign-policy challenges than bombing two primitive nonstates like Afghanistan and Sudan."

## U.S. Calls Missile Attacks A Success and Says That More Strikes Are Possible

By Brian Knowlton  
International Herald Tribune

WASHINGTON — All six of the suspected terrorist camps in Afghanistan targeted by American cruise missiles suffered severe damage, and more strikes at terrorist targets are possible, U.S. officials said Sunday.

That assessment, the most detailed yet offered of the impact of the surprise attacks Thursday, came a day after President Bill Clinton announced steps to freeze some financial assets of the Islamic extremist Osama bin Laden.

U.S. officials blame terrorists loyal to Mr. bin Laden for the recent bombings of U.S. embassies in East Africa that killed more than 260 people, and say he is waging a vast campaign of violence against the United States.

Meanwhile, amid conspicuous security steps taken in Washington — heavy concrete barricades were set in place around the Washington Monument, for example — officials said there had been no specific threat of an attack on U.S. territory.

"We do not know where he'll attack," General Hugh Shelton, chairman of the Joint Chiefs of Staff, said of Mr. bin Laden.

An executive order signed by Mr. Clinton on Thursday freezes any U.S.-based assets owned by Mr. bin Laden, two of his top aides, and their Islamic Army organization.

The order further bans U.S. citizens or

companies from doing business with them.

While acknowledging that the order would have only a glancing impact on Mr. bin Laden, whose fortune of about \$300 million is mostly held abroad, administration officials said the freeze was an important step to strike at Mr. bin Laden's financial resources. Washington hopes foreign governments will cooperate.

Meanwhile, U.S. officials said that the latest information available showed the strikes in Afghanistan, and a suspected chemical-weapons factory in Sudan, to be a clear success.

The six camps in Afghanistan, said Samuel Berger, the national security adviser, all suffered "severe damage." All, he said, "were rendered ineffective."

Mr. bin Laden's whereabouts, however, remained unclear, he said, and the United States has no reliable information on casualties.

Defense Secretary William Cohen said that it was unclear how many of Mr. bin Laden's lieutenants were among the casualties Thursday, which sources in Afghanistan have estimated at about 50 killed. But Mr. Cohen said that intelligence data clearly showed what was thought to be plans for a significant gathering of the Saudi extremist's followers there.

"We believe the information was accurate that there was to be such a gathering," Mr. Cohen said on NBC. "We saw an increased level of activity each day leading up to Thursday."

U.S. officials have said Mr. bin Laden himself was not targeted. But Mr. Cohen, asked if he would "weep" if he learned the Saudi exile had been killed, replied, "No."

"If, in fact, he is in charge of this terror network, as we believe he is; and if he has declared war against the United States, which he has; and if he is part of the command and control of that terror network, then if he is in the line of fire as such, that's his problem," Mr. Cohen said.

He and Secretary of State Madeleine Albright suggested that a \$2 million reward offered earlier for information leading to those responsible for the bombings of the U.S. embassies in Kenya and Tanzania could go to anyone capturing Mr. bin Laden.

Mr. Cohen denied a report that the government in Islamabad had been alerted to the missile strikes against the camps in Afghanistan and the Pakistanis would not believe they were being attacked by India.

"There was no prior notification" to any government, he replied.

In Washington, initial criticism of the U.S. attacks by some Republicans who suggested Mr. Clinton ordered the strikes to distract attention from the Monica Lewinsky matter died away Sunday, apparently as key senators received briefings on the military intelligence that led to the attacks.

Senator Dan Coats of Indiana said Sunday that there was "credible evidence" to support the attacks.

Mr. Berger and other top officials insisted that any suggestions that Mr. Clinton had a domestic political motive for ordering the attacks "couldn't be further from the truth."

"There is an increased terrorist threat against the United States," Mr. Berger said, "and we can't let anything distract us from dealing with that."

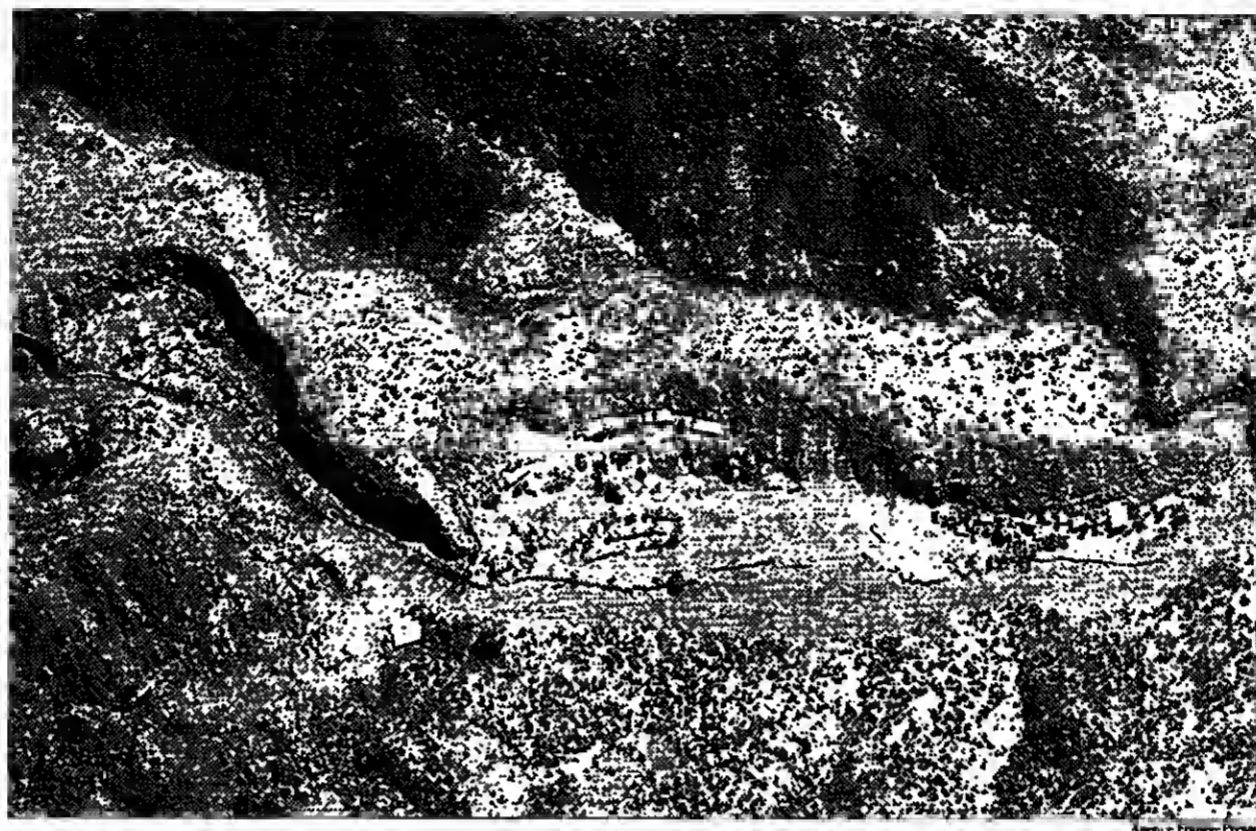
Polls show strong public support for the strikes.

## Targeting Gum Arabic Trade

The Washington Post reported earlier.

A senior administration official said that the executive order issued by Mr. Clinton to freeze some of Mr. bin Laden's assets was important because it would give him leverage as he presses other nations, where more of Mr. bin Laden's money and businesses are based, to squeeze him financially. "Until we take this official, formal, public step, it's difficult for us to have a lot of leverage with allies," the official said.

An official said that one aim of intelligence was to learn more about Mr. bin Laden's shadowy financial ties and associations. Some of those trails may lead, albeit indirectly, to businesses that produce some of America's most familiar consumer brands. An ingredient in many soft drinks and candies is gum arabic. Between 70 and 90 percent of the world's gum arabic comes from Sudan and senior administration officials said Saturday that they were concerned that Mr. bin Laden might have links to Sudan's trade in the substance.



A satellite photo released by the U.S. Department of Defense of the Zhawar Kili training camp in Afghanistan.

## Targeted Camps Described as Primitive

By William Claiborne  
Washington Post Service

WASHINGTON — Although it was described by Pentagon officials as "a terrorist university" and the "premier" Sunni Muslim terrorist training facility in the world, the Zhawar Kili camp in Afghanistan was targeted by U.S. cruise missiles Thursday could probably be described more accurately as a primitive boot camp in the wilderness, experts in international terrorism said.

While not downplaying the deadliness of the activities carried out at the camp established by Osama bin Laden

— an exiled Saudi who has been accused by the United States of financing terrorist activities — the experts said Saturday that the infrastructure and buildings at Zhawar Kili, about seven miles (11 kilometers) south of Khost in eastern Afghanistan, were so "low-tech" that they could be quickly replaced with minimal effort and cost.

"I could get a construction company from Northern Virginia to rebuild it in no time," said Kenneth Katzman, a former CIA analyst who now is the Congressional Research Service's expert on terrorism. "It's so innocuous, it's more like striking a lot of little kindergarten buildings than, say, an Iraqi command-and-

control building." Many of the activities, such as weapons training, physical fitness and even indoctrination and classroom instruction, would not have needed structures and could easily have been conducted in open areas, leaving the buildings and tents for use as barracks, mess halls and storage facilities, Mr. Katzman said.

When asked about the ease with which the complex could be replaced, Samuel Berger, the White House national security adviser, said, "It would not be a terribly wise decision for them to make." In any case, he said, activities at the camps had been "significantly disrupted," which he said was the purpose of the attack.

The area around the complex is rocky and mostly barren, with scrub-type vegetation and some scattered stands of trees. But its most striking feature is the low, rugged hills through which steep and winding ravines provided the Afghan rebels with cover from air strikes during the 1979-92 war with Soviet occupying forces, according to visitors to the camp site during the war.

Its inaccessibility and forbidding terrain also provided natural defenses from ground attacks. Its isolation, however, and lack of roads other than rugged logging tracks made it a difficult place to undertake anything but the most primitive construction.

Defense Department and intelligence officials have disclosed few details of what the bin Laden complex looked like before Thursday's strike, and the terrorism experts interviewed stressed that their descriptions were based largely on anecdotal evidence supplied by visitors to terrorist camps in that part of Afghanistan, including those around Khost. But they acknowledged that the visits were not recent, and that the infrastructure could have changed.

## PLOTS: Purported Scheme to Kill the Pope

Continued from Page 1

missile attacks in Afghanistan and Sudan. They included in 1993 assault on U.S. servicemen in Somalia that left 18 dead and the 1995 attempt on the life of the Egyptian president, Hosni Mubarak, in Ethiopia. In addition, Mr. Clinton said Mr. bin Laden was involved in the suicide bombing of the Egyptian Embassy in Pakistan that killed 15 people, and last year's attack on an Egyptian tourist site in which 62 tourists were shot or stabbed to death.

Recent threats against the life of the Pope have emanated from various quarters, according to U.S. officials. In April last year, the police in Bosnia-Herzegovina discovered a bomb, consisting of more than 20 anti-tank mines and more than 50 pounds (22.6 kilograms) of plastic explosives, hidden under a bridge that the Pope was scheduled to cross during a visit. Intelligence agencies concluded that the bomb had been

laid by an Iranian-controlled network.

European investigators also detected two separate plots on the Pope's life in Italy last year, one in the spring and one last September, also thought to be instigated by Iran, U.S. officials said. In the second plan, an alleged hit team of Bosnians, Turks, Tunisians and Algerians plotted to bomb the pontiff on a visit to Bologna, the U.S. officials said.

According to Yossef Bodansky, director of the House Task Force on Terrorism and Unconventional Warfare, the Pope has become a regular subject for at least rhetorical attack by Islamic fundamentalists led by Iran and Sudan.

"They see the Pope as a challenge to the spread of Islam around the Third World, especially in Africa and Asia," Mr. Bodansky said. "They believe the Pope is a symbol of a benevolent church" who does not fit their bitter characterizations of wicked Westerners. "That's why they think he has to be stopped," he said.

## TARGETS: American Missile Strikes Are Seen as 'Psychological Dimensions of Power'

Continued from Page 1

leadership are vital targets themselves. But even if Thursday's bombardment killed important lieutenants, there is no available evidence as yet that U.S. forces inflicted what Defense Secretary William Cohen called "sufficient damage to disrupt them for some time."

More plausibly, the principal benefits of the missile strikes reside in what Robert Oakley, a former chief of counterterrorism in the State Department, called "the psychological dimensions of power."

One aspect of that catharsis at home. Answering the twin embassy bombings in Africa with twin blows in return is a natural boost to domestic morale. That seems the best explanation for the rhetoric President Bill Clinton borrowed from President Ronald Reagan, vowing "no sanctuary for terrorists."

In truth, Mr. bin Laden has many assets in countries where an air strike would be much more problematic, including Pakistan, Yemen and Saudi Arabia.

An even more important psychological message was sent to capitals abroad, where the administration abandoned for the moment its affinity for broad alliances and consultation in favor of unilateral military strikes that even the closest U.S. allies were informed about after the fact.

"There was a general perception going around the world that the United States does nothing but preach and im-

pose sanctions, and runs away whenever the going gets tough," Mr. Oakley said.

"Other governments are less disposed to assist you if you look weak. Terrorists are more disposed to attack if you look weak. Deterrence is all psychological."

In the government's varied explanations of its intent, there was some loose interchange of legal and military goals. Mr. Cohen, for example, said the clear message sent by the missile attacks was that "those who attack our people will find no safe place, no refuge from the long arm of justice."

Yet justice, in the sense of law enforcement, was very far from the scenes of Thursday's attacks.

As the missiles flew, FBI forensic teams were still on bands and knees swabbing the flattened embassies with Q-tips in the painstaking effort to find an evidentiary trail.

Justice Department sources said investigators were nowhere near ready to seek criminal indictments in the bombings in Kenya and Tanzania — a milestone requiring only "probable cause," far from the standard for conviction of "beyond a reasonable doubt."

"That's the way it should be," said a FBI spokesman, Frank Scalfidi. "In a democracy, the rule of law must prevail. That's our role. But there are also national security interests that need to be addressed. That's their role. You shouldn't hold a nation's right to self-defense in abeyance until you gather

enough evidence to prosecute someone beyond a reasonable doubt."

To guide foreign policy and military decisions, a government can use inference and common sense. It can also use classified information that it might be reluctant to disclose in a courtroom.

For those and other reasons, many experts on terrorism have urged the United States to stop looking at the pursuit and punishment of terrorists primarily through the lens of law enforcement.

"It's two different worlds out there," said Ruth Wedgwood, a visiting professor of international law at the Naval War College and a former counterterrorism prosecutor. "For a while now, the emphasis has been criminalizing terrorism. This may show that the old-fashioned approach is coming back into vogue."

It was notable Saturday that the government declined to say that it had a manhunt under way to bring about Mr. bin Laden's arrest. He is not on the FBI's most-wanted list.

And, unlike other alleged authors of international terror, he has not been made specifically the subject of the Diplomatic Security Bureau's standard \$2 million bounty for information leading to a terrorist's capture or conviction.

Asked about these matters, the national security adviser, Samuel Berger, would say no more than that U.S. authorities "would certainly like to have an opportunity to talk to Mr. bin Laden."

## Aid Workers Pulling Out of Afghanistan

The Associated Press

ISLAMABAD, Pakistan — More aid workers fled Afghanistan on Sunday following the U.S. attack that has made all foreigners a target in the increasingly isolated country.

Red Cross workers arriving in neighboring Pakistan on Sunday from the southern Afghan city of Kandahar refused to speak to reporters as they bundled enough luggage for a long stay into trucks.

Oliver Durr, head of the International Red Cross delegation, said the reduction of his staff in Kandahar and the Afghan capital of Kabul was temporary, pending a change in the situation.

Mr. Durr said 18 workers were evacuated Sunday, 9 each from Kandahar and Kabul. It was not immediately clear how many stayed behind to run Red Cross hospitals in Afghanistan.

A day earlier, the body of a UN military observer killed in Kabul was flown to Islamabad, the Pakistani capital. The Italian observer was shot the morning after U.S. missiles struck a target in eastern Afghanistan said to be a training camp for militants linked to the man Washington blames for the Aug. 7 bombings of U.S. embassies in Kenya and Tanzania.

Kabul was reported quiet Sunday after anti-Western demonstrations Saturday. Also Saturday, demonstrators shouting anti-foreigner slogans destroyed the offices of a medical aid group in the western city of Herat. No injuries were reported.

The United Nations pulled non-Afghan staff out of several Afghan cities.

A UN spokeswoman, Sarah Russell, said her organization's food, medical and demining programs were continuing under Afghan employees. But she acknowledged that problems could arise as food and medicine ran out.

## Sudan Calls for UN Inquiry

Sudan renewed its demand on Sunday for a United Nations inquiry into a U.S. attack that destroyed a medicine factory near Khartoum and wounded 10 people, Reuters reported from Khartoum.

"We hope the Security Council will accept this legitimate and logical demand of Sudan," Information Minister Ghazi Salahuddin said at a news conference.

He said Sudan would also take its case to the U.S. Congress and international organizations in a strategy of "moral deterrence" to protect itself from possible future American strikes.

Mr. Salahuddin said Sudan would consider what policy to adopt toward several European and other countries that he said had "unconditionally supported the aggression against Sudan." He did not name them and gave no details.

Sudanese and UN officials visited the wreckage of the Shifa pharmaceutical factory in northern Khartoum, the target of Thursday's pinpoint attack that Washington says was carried out by cruise missiles and Khartoum says was the work of warplanes.

"This is a dirty, nasty, intense war, and we need to deal with it," said Representative Porter Goss, Republican of Florida, who heads the House Permanent Select Committee on Intelligence. "I find it much more satisfying to say we are going to stop bombs going off than to compile prosecutorial cases that will hold up in court after we have victims."

Legal considerations of another type did come into play in preparing and justifying the attacks.

U.S. law gives the president a largely free hand, particularly since Congress strengthened it in 1996. A law passed after the Oklahoma City bombing directs the president to "use all necessary means, including covert action and military force, to disrupt, dismantle and destroy international infrastructure used by international terrorists."

International law is more troublesome. In Iraq, Somalia and Bosnia-Herzegovina, the United States has relied on legal arguments for the use of military force that many of its allies have found uncomfortable, according to Ian Lesser, a senior analyst at Rand Corp.

This time the Clinton administration cited the less controversial right of self-defense against imminent attack contained in Article 51 of the United Nations Charter.

Senior officials reiterated that they possess concrete evidence of specific threats against Americans from the bin Laden group.

## EDITORIALS/OPINION

## Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Congo's Plea for Help

When Laurent Kabila overthrew the regime of the dictator Mobutu Sese Seko in May 1997, many people hoped that Congo — as Mr. Kabila quickly renamed Zaire — was in for a fresh start, and many, including at the World Bank, the United Nations and elsewhere, were eager to assist. But Mr. Kabila did nothing to reward the hopes of outsiders or his own people. He had journalists and opposition politicians whipped and jailed, showing quickly that he would emulate the late Mr. Mobutu in style, if not in longevity of rule. When the United Nations tried to look into allegations that Mr. Kabila's troops had massacred tens of thousands of refugees during their seven-month military campaign, Mr. Kabila made sure the UN investigators were harassed and intimidated and eventually chased from the country.

So it should come as no surprise now that Mr. Kabila is unexpectedly in trouble, that those who might have been his friends are not rushing to his aid, despite his regime's cries for support for Congo's territorial inviolability. A rebel movement much like the one he led is now moving on the capital, Kinshasa, the only difference being that it has traversed in days territory that took Mr. Kabila months to capture.

But to say that outsiders have little reason to feel sympathy for Mr. Kabila or his regime is not to argue for indifference toward Congo's fate. This is a nation wealthy in natural resources where people have suffered for decades due to the depredations of their leaders, and the willingness of outsiders (the United States prominent among them) to indulge those leaders in the interest of geopolitics. Mr. Kabila's 15 months of misrule have offered scant relief, and now war threatens to plunge people even further into misery.

With neighboring nations lining up on opposite sides of the latest civil war, the conflict could pull Congo into pieces and widen into a regional affair involving also Angola, Uganda and others. And with Mr. Kabila playing an ethnic card to whip up support for his beleaguered government, the internal conflict also could turn even uglier than it has been.

Not surprisingly, Mr. Kabila has appealed to other African governments for help, and some of them now are reportedly sending military aid.

But the South African president, Nelson Mandela, is conspicuously not among them. "Our attitude is clear," Mr. Mandela said. "We are not going to make the situation worse by sending a military force. We are for peace." Mr. Mandela's plea for negotiation may not carry the day. But it holds out more hope for Congo than any alternative.

—THE WASHINGTON POST

## A Wounded Presidency

The sight of Bill Clinton striding into the White House in his role as commander in chief and the general support for his strike against terrorism remind us of the power inherent in even a wounded presidency. It also reminds us, in the case of this particular presidency, of its missing parts and of what might have been.

The nation's immediate feelings about Mr. Clinton can be judged by the wide gaps between poll questions about his performance and those about his character. But now, if these last days of summer allow a breather for the president and the public, there may be time for deeper rumination on the issues of trust and privacy in U.S. politics.

The polls indicate that more Americans trust Monica Lewinsky's word than Mr. Clinton's. Yet no one who voted for him had any illusions about his personal history. Indeed, everyone assumed that the public "bimbo eruptions" were just part of a much gamier story. Why then should Mr. Clinton be blamed for a failing that was known in advance and is shared by millions of citizens?

The answer, we suggest, is that the American people expect a measure of self-discipline and dignity from presidents while in office. The Clintons' performance on "60 Minutes" in 1992 certainly encouraged voters to believe that he would carve out a window of discretion for the presidential portion of his life. Even his most tolerant supporters would not have expected reckless behavior in the Oval Office.

The plain fact, then, is that although the standards of trust that Mr. Clinton had to meet were not set particularly high, he managed through persistence to violate them.

Does it follow that by dishonoring himself, Mr. Clinton has harmed trust in the presidency? Presidents Ford, Carter and Reagan, in their very different ways, demonstrated that not even the failures of Richard Nixon had permanently damaged American respect for the office.

Equally exaggerated are the speculations that the already limited privacy rights of the presidency have been

## Other Comment

## Safeguarding Freedom

America never cringed at the feet of communist or fascist bullies, and we cannot now allow radical extremists to force us to forfeit the heritage that our forefathers fought and died to preserve.

We believe in freedom — and that means the freedom to engage in the commerce of our ideas and ideals as well as our material goods and services. Any individual or group that seeks to deprive us of this ability to move about as members of the international community is an enemy of freedom-loving people everywhere, and will be treated as such.

The American people cannot retreat and hide behind concrete bunkers and barriers and expect to be a force for

good in the world — or even to be secure in our own homes. Eventually, the shadow of evil will fall across our threshold in the name of some perceived or concocted grievance or inequity.

No government can guarantee the full safety of its citizens at home or abroad. But no government can permit others to attack its citizens with impunity if it hopes to retain the loyalty and confidence of those it is charged to protect. We can remain free only as long as we remain strong and brave. We intend to do precisely that. Those states which sponsor or support acts of terrorism are not beyond the reach of America's military might.

—William S. Cohen, the U.S. secretary of defense, commenting in *The Washington Post*.

## Facing the Threat of Super-Empowered Angry Men

By Thomas L. Friedman

WASHINGTON — President Bill Clinton called Osama bin Laden the terrorist group "a network not sponsored by any state, but as dangerous as any we face." Nothing better summarizes the most immediate threat to America today.

It is not from another hostile superpower. There is none — for the moment. It is from super-empowered individuals, super-empowered angry men.

The super-empowered angry men have no specific ideological program or demands. Rather, they are driven by a generalized hatred of the United States, Israel and other supposed enemies of Islam. Ramzi Ahmed Yousef, mastermind of the World Trade Center bombing, was a super-empowered angry man. Mr. bin Laden is another.

Globalization gives them both the added incentive to hate America and the added power to do something about it. That is, globalization is in so many ways Americanization: Globalization wears Mickey Mouse ears, drinks Pepsi and Coke, eats Big Macs, does its computing on an IBM laptop with Windows 98. Many societies around the world cannot get enough of it, but others see it as a fundamental threat.

As the historian Ronald Steel has pointed out, Americans think of them-

selves as having a conservative society. The Russians and Chinese were supposed to be the "revolutionaries." But America today is actually the most revolutionary society in the world, Mr. Steel notes. For the rest of the world, Americans are wild, crazy revolutionaries, with rings in our noses and paint on our toes, overturning cultures and traditions wherever we go.

"We believe that our institutions must confine all others to the ash heap of history," Mr. Steel says. "We lead an economic system that has effectively buried every other form of production and distribution — leaving great wealth and sometimes great ruin in its wake. The cultural messages we transmit through Hollywood and McDonald's go out across the world to capture and also undermine other societies. We are the apostles of globalization, the enemies of tradition and hierarchy."

The American message particularly tells young people around the world that we have a better way than their fathers. This is why the Osama bin Ladens constantly speak of "American arrogance" and how America is

"emasculating" the Muslims. That is why they just want to kill America.

And globalization, through its rapid spread of technologies, also super-empowers them to do just that. It makes it much easier to travel, move money or communicate by satellite phones or the Internet. Mr. Yousef kept track of all his plots on a Toshiba laptop. Mr. bin Laden was running a multinational JOL, Jihad Online.

So what to do? There is much debate on this question, notes the Middle East expert Stephen Cohen: "Some argue that what we need to do is just boycott Iran, condemn Egypt for not treating its Christians right, bomb Iraq, treat Yasser Arafat as no better than Hamas, treat the Saudis the same as the Afghans. In other words, make this a war of civilization and treat the Muslims as the successors to the communists. But that is not how you deal with this problem. It is how you make it worse."

The key to making the problem better is by a three-pronged policy: mercilessly attacking anyone, anywhere, who attacks U.S. citizens or diplomats, embracing those who would be friends by constantly trying to build a moderate political center, particularly in the Muslim-Arab world, and always show-

ing a road map to a better future for those who waver in between.

"For a long time now, the Clinton team has understood how much of a powder keg the Middle East was," Mr. Cohen argues. "But they have been reluctant to make the hard decisions to defuse that powder keg — by confronting Saddam, recreating a moderate political center to combat fundamentalism, laying out a pathway for those in Iran who would like to move out of their isolation and insisting on progress in the Arab-Israeli peace process as a U.S. national interest. Hopefully that is now changing."

Indeed, in the attack Thursday the administration has finally begun to show some resolve. It also deserves credit for reaching out to Iranian moderates, even though they have yet to respond. There are even signs that the Israeli prime minister, Benjamin Netanyahu, may be moving to accept the U.S. proposal for a 15 percent withdrawal from the West Bank.

Getting these pieces in place should put the United States in a stronger position to face down the most menacing super-empowered angry man, the one with a super-democratized country, Saddam Hussein of Iraq.

The New York Times

## Countries That Harbor Terrorists Are Willing Accomplices

By Ronald Steel

LOS ANGELES — Few Americans would have trouble with the principle that the United States has the right to punish militarily any government that uses armed force against this country or its citizens abroad.

No nation with the power to do so would behave differently. But does the United States have the right to bomb sites in countries that are not themselves in open warfare with Americans but rather are hosts of America's enemies? Is it permissible to attack the host along with the guest?

This is the question raised by the missile strikes carried out Thursday against a suspected terrorist training complex in Afghanistan and a terrorist-linked factory that reportedly produced important components for making chemical weapons in Sudan.

The raids were, President Bill Clinton declared, intended to head off further terrorist attacks and to retaliate for the bombing Aug. 7 of American embassies in Kenya and Tanzania, which killed 12 Americans and more than 250 Africans. Both the ter-

rorists, it was explained, housed operations controlled by Osama bin Laden, an exiled Saudi millionaire, who finances an extensive network dedicated to a "holy war" against both U.S. interests and U.S. citizens.

Mr. bin Laden and other terrorists like him have no compunctions about killing civilians, American or not, in pursuit of their objectives.

But the argument that the United States should not have any such standards either is troubling.

Should we not abide by a higher standard of law, or morality, than do terrorists? Do we not undermine our own values by punishing the bystanders along with the criminals?

In efforts to deal with lawbreakers there is the danger that innocent civilians may be harmed. For this reason it is particularly important to distinguish between cases where terrorists operate without the knowledge, or even against the wishes, of a government, and those cases where terrorists receive approval, support and

sustenance from a government.

To be sure, there is a distinction between state terrorism and group terrorism. Groups of terrorists operate even within the United States, although obviously not with government approval.

Yet there are states that, even while not carrying out terrorism themselves, condone it, and even offer refuge to those who conduct it.

Just as an individual who harbors a criminal exposes himself to danger from those seeking to capture or punish that criminal, so does a state that willingly harbors terrorists.

Afghanistan and Sudan are such states. Their governments are controlled by Islamic fundamentalists intent on expelling American power and influence from the Muslim world. They cannot offer their hospitality and resources to those at war with the United States and then claim that they are merely innocent bystanders when Americans try to protect themselves against those who have declared war against them.

Most governments do not support terrorists because they undermine a government's authority and its monopoly of power. But some find such groups useful to attain their own objectives while avoiding responsibility for the terrorists' actions.

The U.S. government cannot allow countries that offer hospitality to terrorists to be immune to the consequences of their actions.

It is extremely difficult, perhaps impossible, for the United States to punish these terrorists. The authorities in Kabul and Khartoum, however, can find them quite easily. With sufficient incentive, either by the carrot or the stick, they can be persuaded to withdraw their support and force these foreign terrorists to leave their territories.

Terrorist groups of the scale of Mr. bin Laden's cannot operate without the cooperation of their sympathetic hosts. This is not to say that we should, in effect, declare war on governments such as those in Afghanistan and Sudan that help terrorists, although they

clearly have to be treated as hostile. But we can make the cost of their sympathy and support very high.

Mr. bin Laden and his followers want to punish the United States because as the world's most powerful state it promotes values and upholds governments they detest. They use terrorism because it is the strongest weapon they have. They are ruthless in their choice of targets and in their willingness to sacrifice civilians in pursuit of their objectives.

Governments that harbor and protect them, like those of Afghanistan and Sudan, are not merely hosts but willing accomplices. They cannot claim innocence for actions they help make possible. Do they find our bombing of their murderous guests intolerable? Then let them expel Mr. bin Laden and his followers.

Ronald Steel, professor of international relations at the University of Southern California, is the author of "Temptations of a Superpower." He contributed this comment to *The New York Times*.

## Blame Pakistan for the Continuing Afghan Conflict

By Amin Saikal

CANBERRA — Although temporarily obscured by the American cruise missile attack on suspected terrorist bases in its territory, the battle for the control of Afghanistan is far from over. The Taliban's recent military push into northern Afghanistan may have given its main backer, Pakistan, a feeling of victory. But it is likely to be short-lived.

Afghanistan is entering a phase similar to that when the Soviet Union invaded the country in December 1979 and the Afghans took up arms to mount a successful Islamic resistance. This phase may last as long as the last one, but the outcome is certain to be disastrous for Pakistan and its Arab financial supporters.

The Soviet invasion did not

take place in a political or strategic vacuum. Moscow had built up firm mechanisms of control in Afghanistan since the mid-1950s. It was able rapidly to set up a communist government in Kabul and to occupy the major cities and lines of communication. Moscow's imposition of initial control was so swift that Western analysts thought that the Afghan Islamic resistance forces — the mujahidins — could last no more than six months against Soviet military might.

But Moscow underestimated a number of other critical factors, including Afghanistan's ethnic and tribal diversity, the Afghans' tenacity as guerrilla fighters, Afghanistan's porous

borders to the noncommunist world through Pakistan and Iran, and widespread international opposition to Soviet aggression. That opposition prompted the Soviet Union's main adversary, the United States, to give military support to the mujahidins.

When the Soviet Union was finally forced to end backing for its protégé government in Kabul, the mujahidins led by the resistance commander Ahmed Shah Massoud were able to take power in April 1992 and establish Afghanistan's first Islamic government.

There are some parallels between the circumstances facing the Afghan resistance then and now. The current leadership and

followers of the ultra-orthodox Taliban militia, consisting of Afghan and Pakistani ethnic Pashtuns, have taken the place of the pro-Soviet communists. Pakistan and its supporters have replaced the Soviet Union and its communist allies. The dominance of the Pakistan-backed Taliban has replaced that of the Soviet-backed People's Democratic Party of Afghanistan.

This development has deeply antagonized Afghanistan's other neighbors, especially Iran, Uzbekistan, Tajikistan and Russia. They regard Afghanistan as part of their vital zone of interests and security, and have strongly condemned Pakistan's intervention in support of the extremist Taliban.

However, two issues distinguish the current situation from that of 1979. Present developments have been shaped by the ethnic divide between Pashtuns, who dominate the southeastern sector of Afghanistan, and non-Pashtuns, who mostly populate northern and western areas as well as Kabul. During the Soviet occupation, the conflict was waged more on the basis of an ideological divide between Islam and communism.

Another difference is that Iran supported the mujahidins in the conflict with the Soviet Union and its surrogates. Today, Tehran is on the side of the opposition to the Taliban.

The non-Pashtun opposition has recently been forced to retreat to smaller territorial pockets. But the resistance is by no means extinct, even though it does not control major cities and is to a large extent cut off from the rest of Afghanistan. This is a situation in which the resistance was placed during the decade of Soviet occupation.

Mr. Massoud and his allies are now likely to engage in low-intensity guerrilla warfare against the Taliban and Pakistanis, just as they did with ultimate success in opposition to the Soviets. They will see this as the best way to turn Pakistan's adventure into a quagmire.

They may well find receptive supporters in Iran, Central Asia and Russia to supply them with necessary arms and other material. Iran and the Central Asian republics, with support from Moscow, may also engage in some direct action to stem the impact of Pakistan's thrust into Afghanistan.

The Afghan conflict is unlikely to end soon. But this time Pakistan, not the Soviet Union, is responsible for its continuation.

The writer is director of the Center for Middle Eastern and Central Asian Studies at the Australian National University in Canberra. He contributed this comment to the *International Herald Tribune*.

## Passing the Buck to Speculators

By Floyd Norris

NEW YORK — Financial markets are again under stress in Asia and Russia, and local authorities know whom to blame. It's the speculators.

"Speculators have been depleting a whole host of improper measures," said Donald Tsang, Hong Kong's financial secretary, as he disclosed that the Hong Kong government had bought millions of dollars in stock. Among the measures were the "spreading of vicious rumors" that Hong Kong's currency might be devalued.

Hong Kong's stocks rallied, and the idea of government intervention is spreading. Prime Minister Mahathir bin Mohamad of Malaysia said he might try the same tactic.

The S-word was also used in Russia, where a central bank official complained that Russian banks were speculating against the ruble by buying dollars. The central bank set out to squelch that speculation by banning such purchases by some banks.

It is not hard to sympathize with the officials involved. They think their economies and markets are going to get over a rough spot, and along comes somebody — often identified as the dreaded hedge funds run mostly by American investors — betting that things will fall apart. If those speculators can just be defeated, then all will be well.

In Hong Kong, the govern-

ment says speculators were trying to drive the currency and the stock market down, and interest rates up, to make money in all three markets. To block such manipulation a little government intervention was necessary, authorities say. So they bought the local currency and shares in all major Hong Kong companies.

So far, it has worked. But a final verdict is not in. In the summer of 1997, Thailand routed hedge funds that were borrowing the Thai baht and selling it, betting it would fall. Big purchases by the Thai government temporarily raised the value of the baht.

But then a funny thing happened. Ordinary Thai citizens and companies began to wonder whether a currency that needed such extraordinary intervention to protect its value was fundamentally sound. Companies that owed dollars realized they would be in trouble if the baht were devalued, so they bought dollars. A few weeks later the baht plunged, beginning the Asian crisis.

Similarly, what the Russian central bank saw as speculation was in fact the reasonable response of Russian banks that were being pressed to repay loans they had taken out in dollars, and that were seeking to accumulate dollars as pro-

tection in case the ruble was devalued. When it became clear the government was afraid of such protection, devaluation became inevitable.

In Hong Kong, too, investors may be asking themselves whether share prices really are reasonable if they can be maintained only by government buying. Perhaps many will decide it would be safer to reduce their positions. If so, the government will have accomplished little, other than losing a lot of public money.

All this is not to deny that speculators had a lot to do with the current problems. But when the real speculation was taking place, governments were looking on with glee. That was in 1996, when foreigners were pouring in money. They invested in Indonesian companies thinking that the fact the companies were tied to President Suharto's family was enough to assure profits. They poured money into Russia thinking it was the next emerging market, and lent money to Korean banks that were financing shaky conglomerates.

Now those who foolishly risked money in years past want to salvage what they can. Companies that owe dollars fear being bankrupted if the local currencies collapse. Both groups want to cut their losses. Is that speculation? Or prudence?

The New York Times

hours, but the eastbound plane was forced down through engine trouble. This feat gives a straight mail service from coast to coast in less than two days. The success of the venture means that the Post Office Department will equip a complete system of planes for this service in the near future.

1948: New Gold Yuan

SHANGHAI — China launched a new economic era in which it will once more be possible to carry money in wallets instead of suitcases. Long lines formed at China's banks as they reopened. Order is gradually being restored from the confusion caused by the announcement of the new reform. It was the announcement that the fact, which was supported only by the cost of paper and ink, was to be replaced by the gold yuan, supported by all the government's holdings, enterprises and foreign exchange.

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: A Phrase Fetish

PARIS — The "Tribune," referring to the exaggerated importance attached to the phrase "inalienable rights," says: "If in assuming sovereignty over Porto Rico we shall be depriving the people of rights, inalienable or otherwise, much more so did Jefferson to Louisiana, yet it is not conceivable that he meant to deprive the people of Louisiana of life, liberty or pursuit of happiness. The fact is that we often make fetishes of phrases. Homer, indeed, would be the laughter if Washington could hear the end of the century chatter about foreign influences, Adams that about the Monroe doctrine, or Jefferson that about inalienable rights."

1923: Airmail Service

NEW YORK — The mail plane crossed from Mineola to San Francisco in twenty-seven

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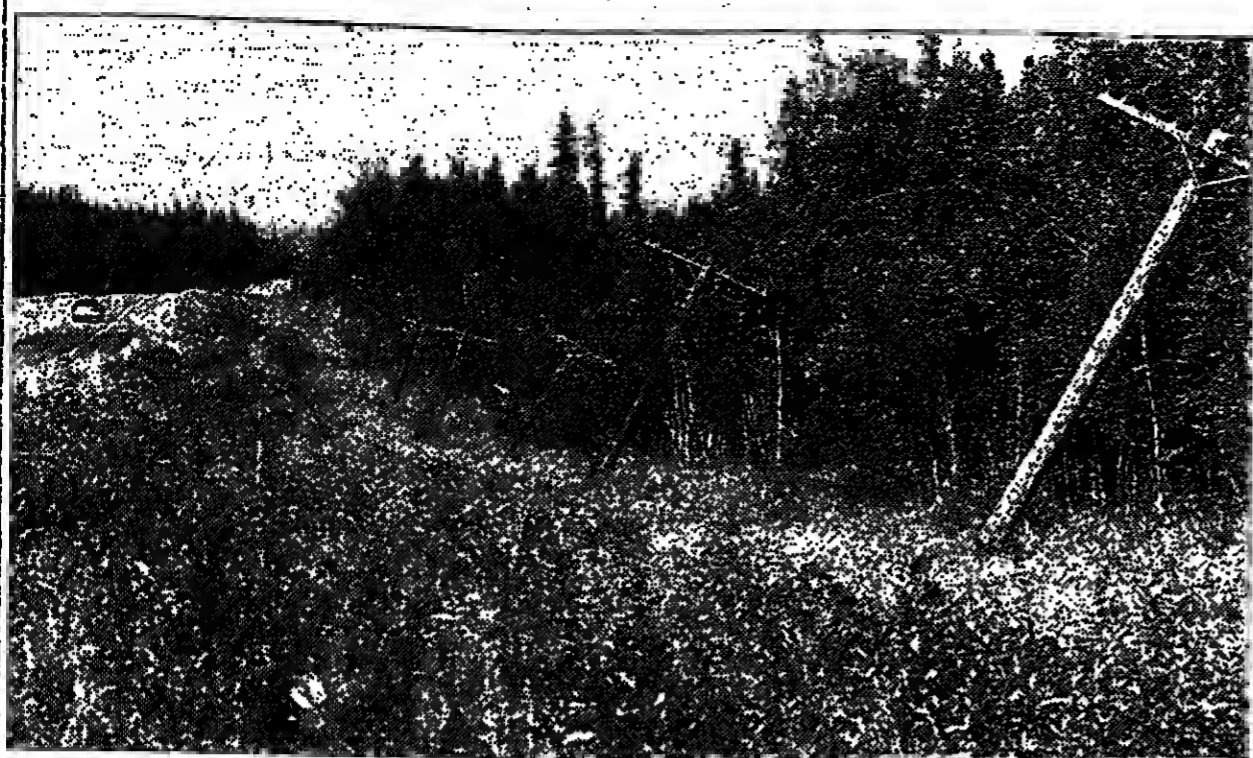
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## HEALTH/SCIENCE

TOMORROW  
STYLE

Over thousands of miles, Alaska's forests are drowning as the permafrost melts and the ground sinks under them.

## Signs Are Clear: Alaska Is Melting

By William K. Stevens  
New York Times Service

**V**ALDEZ, Alaska — Mighty and majestic, the river of ice snakes down to Prince William Sound between classic, craggy mountains wreathed in clouds. Through the mist-streaked windows of a light plane, Columbia Glacier's huge mass and aquamarine-flecked desolation have an almost visceral impact. But like much of the rest of Alaska, the glacier is not what it used to be. Not so long ago, cruise ships nosed right up to the glacier's 200-foot-high (60-meter-high) front wall to watch icebergs break off and crash into the sound. That is impossible today. The front has retreated by more than eight miles (12 kilometers) in the last 16 years, and ships are separated from it by a vast expanse of melting icebergs, panned in by a rocky shoal that stretches from where the shrinking glacier's front wall used to be to where it is now.

Alaska is thawing, and much of northern Russia and Canada with it, and many scientists say that the warming of these cold regions is one of the most telling signals that the planet's climate is changing. The signs are everywhere. Scientists employing laser instruments have confirmed that many of Alaska's hundreds of glaciers are retreating. The warmer atmosphere has produced more snow to feed the glaciers, but longer, warmer summers have in many cases melted them even faster than the heavier snows can build them up. At this time of year, countless streams run full and chalky with tiny rock particles pulverized to dust by the glaciers. The region's permafrost — ground that is perpetually frozen — is thawing in Alaska's interior, and pockets of underground ice trapped in the first are melting with it. Over thousands of miles, big patches of forest are drowning and turning gray, as the ground sinks under them and swamp water floods have opened in the earth. Roadside utility poles, destabilized by the melting, tilt at crazy angles. So do trees, creating a phenomenon known as drunken forest.

The intermittent character of the land's subsidence — the permafrost comes in patches in most of the state, and not every patch has ice pockets — wreaks havoc on paved roads. Between here and Fairbanks, 360 miles away,

many stretches of highway are like ocean swells overlaid with irregular breaks and cracks.

Along the Fairbanks-to-Valdez stretch, entire mountainsides of spruce forest — prime timberland that used to be part of the magnificent taiga, the vast boreal forest of conifers that rings the world's northern latitudes — are dead and gray. The trees have been weakened by several climate-related stresses, then killed by spruce bark beetles whose population, scientists say, has exploded in the higher temperatures.

"It has moved into high gear in the last six or seven years," said Glenn Juday, a forest ecologist at the University of Alaska. "It's just rolling through the forest."

While the average surface temperature of the globe has risen over the last century by one degree Fahrenheit or a little more, scientists at the University of Alaska and elsewhere say that it has increased over the last 30 years by as much as 5 degrees in Alaska, Siberia and northwestern Canada. The warming has been most pronounced in winter.

Scientists are not certain how much of the regional warming relates to overall warming of the globe, if any. Some of it, they say, is clearly the result of a change in prevailing patterns of atmospheric circulation, beginning in the mid-1970s, which generally redirected the flow of warm air from the Pacific toward Alaska. But researchers like Guntis Weller, of the University of Alaska in Fairbanks, an expert on climate change, point out that big areas of northern Russia not affected by the circulation change have warmed as much as Alaska.

Mainstream scientists predict that globally, the average surface temperature will rise by 2 to 6 degrees Fahrenheit over the next century, with a best estimate of about 3.5 degrees, if emissions of heat-trapping industrial waste gases like carbon dioxide are not reduced.

The scientists say that Alaska and other far northern continental regions should warm about twice as much as the average for the globe. Two main reasons lie behind this. As ice and snow melt, less heat is reflected off the land, amplifying the warming. And at these latitudes, the atmosphere is more stable in winter and spring. This confines more heat to its lower layers.

Whatever the combination of causes for Alaska's warming, the catalogue of

effects is substantial. Thirty years ago, the temperature at Fairbanks reached 80 degrees for only about a week in the summer. Now it hits or exceeds that mark for a total of about three weeks. On average, Mr. Juday says, a summer day is about 11 percent warmer than it was three decades ago.

When Mr. Weller moved to Fairbanks 30 years ago, winter temperatures frequently dipped well below minus-40. In the last two decades, the number of sub-40-degree days has dropped substantially compared with the three preceding decades.

In the Bering Sea, scientists have found, the amount of sea ice has decreased by about 5 percent over the last 30 years. In the interior, higher temperatures have been accompanied by more snow in the winter, but also less rain in the summer.

**O**N THE other hand, according to the 1997 study, longer summers have allowed the state's vibrant tourist industry to expand. Other long-range benefits are expected. Shipping in the region should become easier, and an open-water sea route between Alaska and Europe could open up. The contraction of sea ice could allow more offshore oil drilling. Warmer water could help some fisheries.

But at the moment, the warming is perhaps most evident in its effects on forests, permafrost and glaciers.

On a clear summer day a few miles southwest of Fairbanks, Mr. Juday knelt on the floor of the Bonanza Creek Experimental Forest, a long-term ecological research reservation. A vintage old-growth forest of white spruce not far from the Arctic Circle, it is in the middle of the taiga. The spruces tower overhead, straight and tall, rising to 100 feet.

"We're talking about the cream of the crop — the very best forests we have in interior Alaska," Mr. Juday said. As he spoke, he set up a handheld global positioning instrument and contacted overhead satellites to fix the spot's coordinates. The purpose was to aid airborne scientists who later would survey the forest for climate-related damage.

In addition to an infestation of insects, Mr. Juday said, the warming climate, coupled with less summer precipitation, has stunted trees' growth.

"These trees are in real trouble," Mr. Juday said. "We've got a sick forest here."

or surgeon who had no other work."

Winchester does a superb job of historical research that should entice readers even more interested in deeds than words. Language mavens owe a lot to a madman.

Ever meet a cranky yachtsman? I was thumbing through The Illustrated Dictionary of Boating Terms (Norton, \$23.95) and came across *cranky*. The preceding word, *crank*, is defined as "to turn. To crank a winch is to turn the winch handle." *Cranky* is then defined as "difficult to steer, unstable." Is that the origin of what some call me (along with *curmudgeonly*, *cantankerous* and other endearments)?

No. J.E. Lighter's Historical Dictionary of American Slang (three volumes, \$50 a crack) has it. Gertrude Lefferts Vanderbilt wrote in her 1880 social history of the Flatbush section of Brooklyn: "A child who was querulous was said to be 'krankie,' from [Dutch] *krank*, weak, sick."

Finally, there's a new edition of Wilson Follett's "Modern American Usage" (Hill & Wang, \$25 — nice round number, none of that \$24.95 baloney), revised by Erik Wensberg.

Despite solid guidance from the great usages Jacques Barzun, this guide never matched the popularity of Fowler's "Modern English Usage." It's tough going against that bible, but I like MAU's scholarly sassiness in its entry on *grammatical error*: "A few stuffed shirts will always contend that this expression is a contradiction in terms and itself in error. . . . To condemn phrases that are perfectly clear and have long been accepted is pedantry."

New York Times Service

## Mystery of the Killer Bears

## What Made Montana Grizzlies Attack Hiker?

By Mark Derr  
New York Times Service

**N**EW YORK — Three months ago, Craig Dahl, 26, a park concessions worker, took his last hike, setting out on a steep, winding trail above Two Medicine Valley in the southeast corner of Glacier National Park in Montana. He never returned.

Three days later, on May 20, rangers discovered the grisly scene: Mr. Dahl's partially consumed body in a clump of vegetation down slope from a trail. From the physical evidence, searchers surmised that a female grizzly bear and two cubs had preyed upon Mr. Dahl. Experts then, working with the tools of forensic science, identified the culprits, tracked them down and had them destroyed.

Research suggested that the female was a grizzly, nicknamed Chocolate Legs for her distinctive coloring, who had been identified as a problem bear in 1983, captured and moved to the park's back country. She lived the normal life of a bear in the wild until 1997, when she and her cubs again became bold around people.

What triggered that change? Why, a year later, did the bears stalk, kill and eat a human — predatory behavior extremely rare among grizzlies?

On average, bears kill two people a year in North America, with the number equally split between grizzlies and the far more numerous black bears. In Glacier and Yellowstone, the U.S. national parks with the most grizzly bears, the frequency of fatal attacks is considerably less. Between 1910 and this year, bears have killed 10 people, including Mr. Dahl, in Glacier; in Yellowstone, the total is five since 1839.

Nearly all attacks on humans result from a bear's defense of its cubs, its food or itself, said Christopher Servheen, coordinator of the Fish and Wildlife Service's grizzly bear recovery program.

"Grizzlies are generally nonpredatory toward people," he said. Still, weighing up to 1,000 pounds (450 kilograms), grizzlies are formidable predators, and their attacks are often sensationalized to make them seem more ferocious than they are. Because wildlife officials hope to allay that fear and because the 1,000 or so grizzlies left in the lower 48 states — from a presettlement population estimated at 50,000 — are listed as "threatened" under the Endangered Species Act, they thoroughly investigate every bear attack.

Within days of discovering the remains of Mr. Dahl, scientists isolated human DNA in bear droppings taken from the scene. They also matched bear DNA

from hair samples gathered at the site with that of hair collected a year earlier from the female grizzly and her male cub by Daniel Carney, a wildlife biologist for the Blackfoot Tribe, when he captured them, put tags in their ears, clasped an electronic collar around the mother's neck and turned them both loose.

Mr. Carney began collecting hair samples from all bears he trapped around 1995 when he realized that DNA would become an important identification tool. When the experts matched the hair to the aggressive bears Mr. Carney had tagged earlier, park and wildlife officials decided to destroy all three animals.

A few bear experts argued that the attack might have resulted from natural defensive aggression or that the bears might have done no more than scavenge the corpse.

"Usually when they do someone in, they don't feed on him," said Charles Jonkel, a former professor at the University of Montana and a noted bear authority. Given the element of doubt, he urged that the young female be moved and put through behavioral conditioning to restore her wariness of people. But the officials decided that they could not take that chance. Circumstantial or not, the evidence convinced them that the bears had chased Mr. Dahl for several hundred yards downhill before killing him.

"The entire family group participated in this activity," Mr. Servheen said. "Offspring learn from their mother and since they were involved in pursuing and eating a human, those offspring were likely to do it again."

Bear biologists were left to ponder why these apparently healthy animals crossed the line to become man killers. While searching for an explanation, Steve Gniadek, the park's chief wildlife biologist, recently compiled a dossier on the mother, who was wearing ear tag 235, that deepened the mystery.

After examining thin cross-sections of a tooth stained to reveal the dark rings that form every winter in the bone-like covering of the tooth's root, scientists at Mattson Laboratory in Milltown, Montana, placed the age of the female grizzly at 16 years, solidly middle-aged.

Based on that information and the holes in her ears indicating a prior capture, Mr. Gniadek concluded that in all likelihood she was Chocolate Legs, who had gotten into trouble as an 18-month-old cub. At that age she had already lost her wariness of people and was causing "bear jams," as tourists stopped their cars to watch and photograph her in the park's northwest corner.

Captured in July 1983, fitted with an ear tag (number 251) and radio collar,

Chocolate Legs was flown 20 miles (32 kilometers) southwest across the Continental Divide to the remote headwaters of Pinchot Creek.

For the next 11 years, Chocolate Legs apparently unobtrusively occupied a range that included Two Medicine campground, although Mr. Gniadek believes that she may have been involved in an incident in 1995 in which a pair of hikers were frightened and their packs raided for food. What is certain is that by 1997, Chocolate Legs and her cubs were so habituated that they had become pushy around people.

In May 1997, the three bears boldly walked through Red Eagle campground on the Blackfoot Reservation. It was there that Mr. Carney captured Chocolate Legs and her son, applied the ear tags and the collar and collected the hair samples. Then, he released them to a barrage of loudly exploding "cracker shells," to scare them away. Shortly afterward, Carrie Hunt of the Wind River Bear Institute in Heber City, Utah, and Tim Manley, a bear management specialist with the Montana Department of Fish, Game and Parks used trained dogs, loud noises and rubber bullets to drive the bear family from the Two Medicine campground.

**T**HROUGHOUT June 1997, the bears continued to show no fear of people. In July, they displayed "strange and erratic behavior" around searchers looking for a missing hiker, Matthew Truskowski, 25, of Michigan. In September, the three bears again charged at hikers, backing away just feet from them.

After Mr. Dahl's death, some officials began to view the previous summer's behavior as more ominous than it had first appeared. Speculating that Chocolate Legs might have killed Mr. Truskowski, the authorities launched a new search, without success. Mr. Servheen suspects that something happened in the summer of 1997 to cause Chocolate Legs to view "people as food."

Other experts suggest that the answer lies buried in the particular events of the bear's life and personality. But common threads are habituation and a regular diet of human and pet foods.

"If you look at bears that have killed and eaten people, except those provoked by photographers, you see that they have a history of habituation and food conditioning," said Stephen Herrero, professor emeritus of environmental science at the University of Calgary and a leading authority on bear attacks. But, he cautioned, "Bears are complex, intelligent and individualistic, and so we can't predict their behavior as if they were stimulus-response machines."

## IN BRIEF

## Questions Are Raised About Estrogen

**CHICAGO (AP)** — A new study raises questions about the effectiveness of hormone supplements that contain estrogen in warding off heart trouble in older women.

The study involved only women who already had heart disease, and its authors and other experts stressed that the findings should not be assumed to apply to healthy women.

Millions of women take estrogen supplements to replace the hormones their bodies stop making at menopause. The supplements relieve such symptoms as hot flashes and vaginal dryness and protect against thinning bones. Previous studies found that women taking supplements suffered up to 60 percent less heart disease.

The new study, published in the Journal of the American Medical Association last week, involved 2,763 postmenopausal women with heart disease. All of them had suffered heart attacks or chest pain caused by blocked arteries, or had undergone bypass surgery or angioplasty. Those who were randomly assigned to take a supplement containing estrogen and a type of hormone called a progestin suffered no fewer heart attacks over four years than the other women.

To the researchers' surprise, women taking the supplements actually suffered more heart attacks during the first year. But they had fewer heart attacks later, and the effects balanced out over four years.

The study's lead author, Stephen Hulley, is chairman of epidemiology and biostatistics at the University of California at San Francisco.

## Gene Mutation Tied to Prostate Cancer

**PHILADELPHIA (AP)** — Scientists have discovered a gene mutation that they say plays a significant role in the development of prostate cancer.

Men who carry the mutation in the gene CYP3A4 had more advanced prostate tumors than men without the mutation, the researchers reported in the Journal of the National Cancer Institute.

The mutation allows more testosterone, a hormone that acts as a "fuel" for prostate cancer, to be available to the prostate gland, said Timothy Rebbeck, assistant professor of epidemiology at the University of Pennsylvania and the principal author of the study. He said that the discovery, if confirmed, could identify men who have a higher risk of prostate cancer.

The researchers studied 230 white men with prostate cancer. Those with the mutation who were diagnosed after age 63 and who had no family history of the disease were nearly 10 times as likely to have a higher-stage tumor than men without the mutation, the study found. The mutation was believed to have no hereditary link.

## Prostitution and Stress Disorder

**NEW YORK (NYT)** — The world's oldest profession may also be among its most traumatizing. A new study has found that a serious psychiatric illness resulting from exposure in physical danger is more common among prostitutes than among soldiers who have weathered combat duty.

The illness, post-traumatic stress disorder, is the modern equivalent of shell shock, or combat fatigue. It leaves survivors of serious physical danger emotionally numb, and tormented by recurrent nightmares and flashbacks, often for decades.

In a study presented last week at the annual meeting of the American Psychological Association, in San Francisco, researchers interviewed almost 500 prostitutes from around the world and discovered that two-thirds suffered from post-traumatic stress disorder. In contrast, the condition is found in less than 5 percent of the general population. Studies of veterans of combat in the Vietnam War have found that the disorder may be diagnosed in 20 percent to 30 percent, about half of whom have long-term psychiatric problems.

"Essentially, we need to view prostitution itself as a traumatic stressor," said Melissa Farley, a psychologist at the Kaiser-Permanente Medical Center in San Francisco who directed the study with colleagues from Turkey and Africa.

## LANGUAGE

## A Book Bag for Summer Vacation

By William Safire

**W**ASHINGTON — I'm fixin' to go on vacation and want you to have a book bag of word books.

*Fixin'* is a Southernism covered in "Jesse's Word of the Day From Abacinate to Yonic," lively scholarship by Jesse Sheidlower (Random House paperback, \$12.95). As we all know, *abacinate* means "to blind cruelly," and *yonice* is the female equivalent of *phallic* (a doughnut, Sheidlower notes, is a *yonice* symbol), but the primary meaning of *fix* is "to repair"; where did the sense of "to prepare to" come from?

That sense dates from the early 18th century and is an extension of the sense of "put in order; establish, settle definitively," and I presume it is the basis of the political *fix*. The extension of that meaning to "get ready" has been expressed since the 1930s in the Gulf and South Atlantic states as *fixin'*. It is always followed by an infinitive, is only used with actions in the near future and, as Sheidlower points out, "remains one of the best-known indicators of Southern speech, along with such words as *reckon* and *y'all*."

The book is drawn from his Internet page ([www.randomhouse.com/jesse](http://www.randomhouse.com/jesse)), which answers surfers' queries and is a demonstration of the Web as a progenitor of books. He raises an interesting etymological question with his entry on the *skin of my teeth*.

That's from Chapter 19, Verse 20 of the Book of Job, as the bedeviled innocent man wails, "My bone cleaved to my skin and to my flesh, and I am escaped with the skin of my teeth." That's the King James translation of 1611, taken from the Geneva Bible

translation of 1560, "I have escaped with the skin of my teeth." Sheidlower notes that "the point is that Job is so sick that there's nothing left to his body."

That's true; I once wrote a book about Job, and discovered that recent translators find both *skin* and *teeth* but no *skin of my teeth* in the original Hebrew, written three to six centuries before the birth of Christ.

Marvin Pope's translation in the 1965 Anchor Bible renders that verse as "My flesh rots on my bones, my teeth drop from my gums," and the translator notes that "The KJ's 'I am escaped with the skin of my teeth' has become proverbial for a narrow escape, but the context offers no support for this idea." It's a mistake in translation that has become a familiar part of the language.

"The Professor and the Madman," by Simon Winchester (HarperCollins, \$20), is the linguistic detective story of the decade. William Chester Minor, an American who studied medicine at Yale, served in the Union Army as assistant surgeon during the Civil War and contributed more than 10,000 citations to the Oxford English Dictionary. When the lexicographer James Murray and a committee wanted to honor this stalwart reader for his work, it turned out he was a murderer incarcerated in the Broadmoor Asylum for the Criminally Insane outside London.

Deistical but scholarly, the man in the asylum had stumbled across Murray's appeal for volunteers to help survey all that had been written in English. He wrote in, giving the accurate hospital address.

"I thought he was either a practicing medical man of literary tastes with a great deal of leisure," Murray said years later, "or perhaps a retired medical man

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[illegible]

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			Share P		.04

This table shows the performance of Monks-Held mutual funds through April 30, 1984. The table is broken down in terms of assets. There are roughly 4,100 funds currently listed on Morning.

Group names are shown in bold face, with individual fund names in each group indented below. Funds that are not part of a group are not indented.

**NAV** is the net asset value, i.e. the portfolio value reported by the fund, divided by shares outstanding, as reported by the fund through 3/31/84. **NAV** excludes all sales or redemption charges. Charge shows the variation from the previous Friday.

**Share Value footnotes:** c - available only through a principal plan; n - no front-end load or contingent deferred sales load; p - fund shares are used to pay distribution costs; f - front-end load or contingent deferred sales load through 3/31/84; f - footnotes n and p apply.

## Stock Market Mania Entrances Americans

With Nearly Half of Households Owning Shares,  
Watching the Dow Becomes National Obsession

By Leslie Eaton  
New York Times Service

NEW YORK — Waiting for an elevator in a building in Chinatown last week, the UPS deliveryman stared intently at his hand-held computer. It was not the United Parcel Service's package-tracking device, though he had one of those, too.

No, the deliveryman, Mark Candella, was staring at stock market information on his Quotrek portable quotation machine, which he does, he says, only in his free moments. He was trying to decide whether to sell the shares of Lucent Technologies Inc. he had bought earlier that day.

Similar concerns were on the mind of Carlos Rubino, who drives a taxicab. Parked at a taxi stand in midtown Manhattan last week, he was trying to sell 2,000 shares of a semiconductor stock using his laptop computer, which was beaming in the order to Charles Schwab & Co.

Mr. Rubino emphasizes that he never trades while the cab is in motion.

Mr. Rubino, 41, and Mr. Candella, 27, have become entranced by the stock market in the last year — and they are not alone. Receptionists, doormen, and construction workers have joined dentists, architects and lawyers as stock market mavens. More Americans appear to be tracking stocks, talking about them, and trading them, than ever before.

Indeed, it can be hard to get away from the stock market, especially on days like Friday, when the Dow Jones industrial average plunged 280 points before recovering to close down about 78 points.

Television sets in restaurants, bars and airport lounges are tuned to financial networks that did not even exist 10 years ago. CNBC reports that its viewership increased 75 percent in the last year, and as many as 1 million households have tuned in right after the market's 4 P.M. close.

Computer screens all over the country flicker with stock charts (CNN's Web site has become a favorite with the cognoscenti). "I'm lucky my boss is interested in the market, too," said Hernandez Ruiz, a Manhattan architect who keeps stock prices running in the background on his office computer.

Magazines on every newsstand tout "10 Funds To Buy Now" or, in the case of the current *Time* magazine, "How To Live Rich."

Then there are all those people using cellular phones to make trades in restaurants, on the beach, in cabs. Charles Schwab gets 300,000 calls a day on its automated phone-trading system.

All of this is understandable given that almost half of U.S. households now have some exposure to the stock market, either through direct ownership of shares, through mutual funds or through the nearly ubiquitous 401(k) retirement plans, according to Federal Reserve Board studies. In 1989, less than a third of households did.

In fact, last year Americans had more

of their assets tied up in stocks than in their homes — the first time that has been the case since the booming market of the late 1960s. More than 28 percent of household assets are in stocks, which is the highest level since the Fed began keeping figures after World War II.

As a result, the market has invaded popular culture. Advertising campaigns, cartoons, even mass-market movies now feature the stock market. Ron Insana, an anchor on CNBC, whose voice and image have appeared in three films, also appears larger than life on the giant television screen at Times Square.

"If we get a 1,000-point down day, people are going to be driving on the sidewalk," Mr. Insana said, adding that interest in the stock market "is way beyond cocktail party chatter at this point."

Market mania has created a whole new group of celebrities, from Warren Buffett to James Cramer, a money manager, to Laszlo Birinyi, a market guru in Greenwich, Connecticut, who appears on PBS's "Wall Street Week With Louis Rukeyser."

One manifestation of Americans' obsession with the market is the changing nature of stock trading. Trading on illegal insider information has moved "from Wall Street to Main Street," said Richard Walker, director of enforcement for the Securities and Exchange Commission.

When Mr. Walker ran the commission's New York office in the 1980s, most insider trading was done by securities kingpins like Ivan Boesky, he said. Now, he added, "it's neighbors, friends, boyfriends and girlfriends tipping off their fathers, mothers, sisters and cousins."

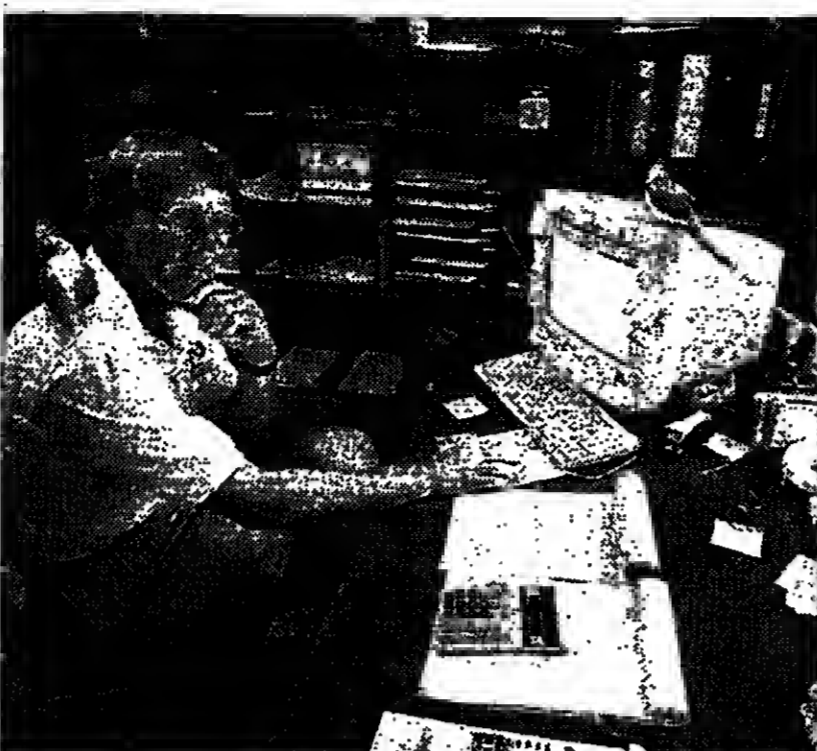
This trend is reflected in almost all of the SEC's insider-trading prosecutions

See STOCKS, Page 13



Mark Candella checking stock prices on a street in New York.

## CYBERSCAPE



Pat Riley, an on-line investor, in his home in Chapel Hill, North Carolina.

## For On-Line Investors, The Thrills of Going Solo

By David Segal  
Washington Post Service

PAT RILEY just made a small killing in his bare feet. Tapping on his keyboard one recent afternoon, he unloaded 500 shares of Lucent Technologies Inc. purchased the day before. Net profit, after commission: \$472.

"If I could do this every day, I'd make \$150,000 a year," he said, chuckling. It could be a scene from any brokerage house, except that Mr. Riley was sitting in the pine-walled den of his home in Chapel Hill, North Carolina, wearing a T-shirt and shorts. His only companions are a pair of squawking parrots and a television tuned to CNBC's nonstop Wall Street coverage.

This has been Mr. Riley's makeshift trading floor since April 1997, when he sold his stake in a mobile, ultrasonic company, bought a spiffy new computer and began investing on-line with his family's \$100,000 nest egg.

It has not gone smoothly. He lost half of his money in the first few months, most of it in a single day of panic selling at the bottom of last October's brief market free fall. Using his house as collateral, he borrowed \$50,000 to invest, which he has since paid back. Having learned some lessons, his portfolio gradually rebounded to \$174,000, a gain of 74 percent.

"This," he said, "is about the most exciting job I've ever had."

For decades, many Americans considered Wall Street a bewildering jungle best viewed at a distance, with a professional guide to point out the sights. Now throngs of investors are dumping their brokers, booting up computers and plunging solo into the stock market.

Five years ago, Internet trading did not

exist. Today there are more than 3 million on-line accounts, and by 2002 that number is expected to rise to 14 million with nearly \$700 billion in assets, according to a report by Forrester Research. Already, nearly one quarter of all retail stock trades are made in cyberspace.

To aficionados, it's the most exhilarating computer game ever. With a few clicks of a mouse, any amateur with a bunch and a few thousand dollars can sign up to barter in capitalism's grandest bazaar. Trades cost as little as \$8 each, a fraction of the \$100-plus charged by traditional brokers. Real-time stock quotes are available for tick-by-tick updates and the World Wide Web has piles of data for researching companies.

But hyperactive traders, he warned — all this easy-to-use technology can be hard on the bank account. Experts caution that low fees and the spread of armchair-trading is encouraging some consumers to frenetically buy and sell, a dicey way to prosper in a market that is notoriously chaotic and difficult to time. Capital gains taxes, of course, take a bite from any money-making trades.

Because on-line brokers charge a pittance, they don't exactly encourage buying and holding, the mantra of financial advisers for decades.

"It's a lot like going to a casino," said Jeremy Siegel, a finance professor at the Wharton School of the University of Pennsylvania. "You can make or lose money within a few seconds and there are going to be some people who are addicted to it."

Others point out that anyone with a set of darts could have profited in equities over the past seven years. What is

See TRADES, Page 13

## Setback in Singapore

Prime Minister Warns of Slide Into Recession

Compiled by Our Staff From Dispatches

SINGAPORE — Prime Minister Goh Chok Tong warned Sunday that Singapore was sliding into a recession and defended his government from allegations that it is hurting the interests of its Southeast Asian neighbors.

"We are in for some very tough times," said Mr. Goh as he opened the English portion of his state of the nation speech. "Matters are likely to get worse before they get better."

Recovery will be a long and painful process over the next two years, he predicted, although Singapore will likely recover before its neighbors, he said.

As Singapore struggles to keep its economy afloat, ties with neighboring Malaysia and Indonesia have become more strained than ever, adding to the mood of uncertainty in the prosperous island republic.

Mr. Goh devoted part of his speech to parrying accusations that it was rejoining in the economic woes of neighboring Malaysia and even contributing to its problems.

"Recently, Malaysian newspapers have carried absurd allegations that Singapore is happy that Malaysia is experiencing economic difficulties, and that we are sabotaging them or even stealing their cargoes," Mr. Goh said. "They are totally wrong."

He pointed out that the countries' economies are closely intertwined and stressed that when Malaysia has serious problems, Singapore is also hurt.

Malaysia's "apparent lack of understanding of how the markets work has also complicated our relations," Mr. Goh said.

The prime minister said his city-state has tried to help Malaysia where it could. He pointed out that Singapore had held onto several billion Malaysian dollars in its foreign reserves despite the steady decline in the ringgit.

He urged the two countries, which have diverse ethnic make-ups and which separated in 1965 after race riots and political differences, to "deal with the difficulties rationally and soberly."

Singapore banks had lent more than 25 billion Singapore dollars (\$14.16 billion) to Malaysia and Indonesia, Mr. Goh noted, and Singapore has in excess of 14 billion dollars invested in the two countries.

The amount is significant given the size of the economy in Singapore: Last year, the gross domestic product was 118.1 billion dollars, and total trade was 382.2 billion dollars.

Singapore may be headed for its first

recession in 14 years in 1999, gripped by shrinking Asian trade and falling overseas demand, the government has said.

"Singapore will help Indonesia within the limits of our ability," Mr. Goh said. But he warned that "we are only 3 million people," in contrast to Indonesia's 211 million.

Mr. Goh said Singapore would continue to offer humanitarian aid in addition to its contributions to the bailout package orchestrated by the International Monetary Fund.

Outlining policies to bolster the economy, the prime minister stressed the need for more competitive business costs in Singapore through lower government charges, taxes, wages and land costs.

Improved efficiency of business operations is important for Singapore, Mr. Goh noted, because it profits from sizeable foreign investment thanks to a world-class seaport, airport and other infrastructure. (AP, Bloomberg)

## Singapore Bourse Passes 2000 Trial

The Associated Press

SINGAPORE — The Stock Exchange of Singapore passed a critical test Sunday to prepare its trading system for the start of the next century, when the Year 2000 computer bug is expected to strike.

A mock session lasting several hours Sunday morning involved setting the dates in all trading computers to Jan. 3, 2000, which will be the exchange's first day of operation after the turn of the century.

The trial, which used closing data from trading Friday, was successfully completed, according to a statement from the exchange. Trades were keyed in as if the market were actually in session.

The simulation involved 33 member firms of the stock exchange, authorized trading centers, approved foreign brokers, participants of the bond quotation system and other subscribers of the exchange's broadcast services.

Specialists fear that the start of the year 2000 will wreak havoc in computer systems worldwide, because they have been programmed to interpret years by their last two digits and are likely to mistake 2000 for 1900.

## Mahathir Assails Central Bank For Following IMF's Advice

Reuters

KUALA LUMPUR — Prime Minister Mahathir bin Mohamad on Sunday renewed an attack on the central bank, accusing Bank Negara of compounding Malaysia's financial problems by following the International Monetary Fund's advice.

Government officials said Mr. Mahathir's latest criticism of Bank Negara was expected to increase pressure on the central bank governor, Ahmad Mohammed Don, who offered to resign in May.

Mr. Mahathir said the economy deteriorated when the central bank adhered to IMF's prescription for combating the downturn that started last year.

"For instance, we abided by the IMF's advice when we raised interest rates and imposed a credit squeeze and reduced from six to three months for unsettled loans to be classified as non-performing," Mr. Mahathir said.

"Definitely, the companies faced problems," the official Bernama news agency quoted Mr. Mahathir as telling reporters.

Even before Asia's financial crisis erupted in mid-1997, Bank Negara curbed the expansion of bank credit, arguing that high loans growth threatened to lead to an overheated economy.

Then last October, Finance Minister Anwar Ibrahim announced the tightening of a rule on nonperforming loans. Starting this year, a loan is classified as nonperforming if it is in arrears for three months. Previously, the period had been six months.

The central bank said the move would bring Malaysia's nonperforming loan classification into line with international standards and help keep banks sound.

Government officials who asked not to be identified said Bank Negara's governor was frustrated by what he considered to be a persistent campaign by Mr. Mahathir against the central bank. "The governor is considering his options," an official said.

Earlier this year, Mr. Mahathir and Special Functions Minister Daim Zaiduddin led a campaign for lower interest rates, which put them at odds with the central bank and to a lesser extent Mr. Anwar, who asked Mr. Ahmad to stay on when he offered to quit in May.

■ Hong Kong Loan Program Set

In an effort to help businesses survive the protracted financial turmoil, the government will launch Monday a 2.5-billion Hong Kong dollar (\$322.6 million) loan program for small and medium companies, it announced Sunday, The Associated Press reported from Hong Kong.

The government said it would provide guarantees for private loans to small and medium enterprises — the backbone of the territory's economy — approved and provided by one of the 26 banks and financial companies which have joined the plan.

The risk of default will be shared among the lending institutions and the government, it said.

The plan is part of a stimulus package the government announced in June to kick-start the ailing economy.

While profits are generally down, smaller firms also have trouble getting new loans as banks tighten their purse strings because interbank interest rates remain high.

High interest rates are the government's key tool to fend off speculation to keep Hong Kong's currency link with the U.S. dollar intact.

Hong Kong's economy contracted 2.8 percent in the first quarter, and officials have said it will shrink further in the second quarter. A recession is generally defined as two quarters of negative growth.

Unemployment is at a 15-year high of 4.8 percent, and is expected to rise further in the coming months. To fend off speculation, the government last week bought blue chip stocks to lift the stock market.

## Clicking and Choosing Among On-Line Brokerages

By Beth Burkstrand  
Washington Post Service

WASHINGTON — After watching Internet brokerage ads on television, aspiring investors may think they can click their way to an on-line fortune by simply forking over a \$10 bill to one of the many firms that now have homes on the Internet.

Internet trading is easy, but finding the right brokerage firm can be difficult.

Julio Gomez, an on-line financial services consultant, suggested that deciding what kind of investor one is was helpful in choosing among the more than 80 on-line brokers now operating. At his Web site ([www.scorecard.com](http://www.scorecard.com)), which ranks brokers overall and by investment type, Mr. Gomez calls investors who love trading often and like market vol-

atility "Hyper-Active Traders." They are best served by an inexpensive on-line broker with speedy Web-site navigation and trade execution, he said.

Intermediate-term investors who like doing their own research and buying into special investment categories, such as initial public offerings, are called "Serious Investors." They should look for firms that offer a wide range of research and analytical tools, he said.

Investors who see the stock market as a tool for accomplishing long-term financial goals, such as putting kids through college, are "Life Goal Planners," and need an on-line broker that offers several investment options, including stocks, bonds and mutual funds.

Those who want an on-line service to help them simplify their finances, called "One-Stop Shoppers" by Mr. Gomez,

should look for a firm that offers direct bill payment, mortgage loans and other financial management tools. After narrowing the search to on-line brokers that offer the services one needs, making the final cut becomes more complicated.

One stop could be a site such as [www.onlinestock.com](http://www.onlinestock.com), which holds bulletin board discussions on the advantages and disadvantages of different firms. Try to contact the customer service representatives at the firms under consideration.

"Something is going to go wrong with your account and you are going to want to talk with somebody," said Kasandra Bentley, president of Cyberinvest.com, an on-line investing site.

It is important to check whether a firm has a backup way to trade if its Internet connection fails or when its server is

overwhelmed during heavy volume days. This was a problem in October, when the market fell dramatically. Can investors go to a branch to make a trade? How about trades via telephone?

Another key point is to find out how much interest uninvested money will earn. Most investors, once they make a sale, do not immediately reinvest the proceeds. Some brokers will sweep this money into an interest-bearing money market account on a daily basis. Others do it weekly, some out at all.

Finally, look at the firm's price per trade. If the quoted rate is, say, \$10 per trade, this does not always mean that is all you will pay. Some on-line brokers charge extra for real-time stock price quotes, research, issuing a stock certificate, making large trades, talking to a broker or using telephone features, Ms. Bentley said.

## Hyundai Talks Stall

Reuters

ULSAN, South Korea — Hopes faded on Sunday for a peaceful solution to the dispute over layoffs at Hyundai Motors Co., the South Korean auto giant, after ruling party mediators walked out of the talks.

"There seems to be nothing left for us to do," said Roh Moo Hun, the head of a seven-member mediation team dispatched by the ruling National Congress for New Politics.

Witnesses said the decision had prompted reinforcement of riot police around the Hyundai plant in the southeastern city of Ulsan and fueled frustration and anger among thousands of striking workers and their families.

Allowing companies to make mass layoffs was one of the core conditions of last December's \$58.35 billion bailout package led by the International Monetary Fund.

Labor Minister Lee Ki Ho, who was left the sole mediator after the ruling party's delegation walked out, said, "Talks are deadlocked over details."

Hyundai's management came under pressure to make more concessions after the union on Friday accepted the idea of some mass layoffs for the first time. The mediators proposed that both sides accept 250 to 300 layoffs.

The union agreed, but the company did not. Hyundai offered only to reduce the number of layoffs from its previous proposal of 615 to 450. That offer in turn had been reduced from 1,538.

## UBS to Shut 150 Swiss Offices

Bloomberg News

ZURICH — UBS, Europe's largest bank, said Sunday it planned to close 150 branches in Switzerland as it integrates Union Bank of Switzerland and Swiss Bank Corp. after their \$29.2 billion merger in June.

UBS was responding to a report in the Swiss newspaper SonntagsZeitung that the bank plans to close 46 branches formerly operated by SBC and 40 run by Union Bank of Switzerland in the German-speaking part of Switzerland.

"We are going to close 150 branches throughout the country," said Christoph Meier, a spokesman at UBS. "That process should be finished by the end of 1999."

UBS has also agreed with the Swiss competition commission to sell 25 of its 550 Swiss branches by March 1999, although Mr. Meier said it expected to do so by January. The bank plans to eliminate 7,000 jobs at home, where it has a market share of about 30 percent, almost twice that of Credit Suisse Group, its main Swiss rival and Europe's No. 6 bank.

"We have had contact with interested parties, mostly non-Swiss banks," Mr. Meier said. "We should be in a position to sell the branches by the end of 1998."

Deutsche Bank AG, Germany's biggest bank, said in May it was interested in buying some of UBS's Swiss branches. Deutsche Bank was also one of the companies that bid for UBS's Banca Svizzera Italiana unit, which was last month sold to Assicurazioni Generali SpA of Italy for 1.92 billion Swiss francs (\$1.28 billion).

The sale of BSI came as UBS streamlined its private banking activities. UBS has also sold Cantrade Banca Privata Lugano SA to Geneva-based banks CBG Compagnie Bancaire Geneve and Banque Cantonale de Geneve for an undisclosed sum.

In May, when it approved the merger of Union Bank of Switzerland and SBC, the competition commission urged UBS to keep lending to small businesses. Swiss banks are trying to tighten up their lending policies after writing off more than 40 billion francs in the six years through 1996 because of bad loans.

## CURRENCY RATES

Cross Rates	Aug. 21
American dollar	1.0000
British pound	0.6925
French franc	6.5596
German mark	1.9364
Italian lira	2.0048
Japanese yen	106.48
New York dollar	1.0000
Portuguese escudo	200.48
Spanish peseta	166.64
Swiss franc	1.4756
Taiwan dollar	36.46
Thai baht	54.80
U.S. dollar	1.0000
Yen	106.48
Yuan	8.2756
Zimbabwe dollar	10.0000

Other Dollar Values	Aug. 21
Australian dollar	0.7625
Canadian dollar	0.7125
Chinese yuan	8.2756
Czech koruna	20.3600
Danish krone	6.4656
East German mark	1.0000
East German mark	1.0000
East German mark	1.0000

Forward Rates	Aug. 21
1-month	1.0000
3-month	1.0000
6-month	1.0000
1-year	1.0000

Sources: Reuters, Bloomberg, and other news services. All rates are for U.S. dollars unless otherwise specified. All rates are for U.S. dollars unless otherwise specified.

## CAPITAL MARKETS ON MONDAY

## Russia's 'Ponzi Scheme' Collapses, As Market Rates Anticipated

By Carl Gewirtz  
International Herald Tribune

PARIS — In the world of Ponzi schemes, Russia's multibillion-dollar borrowings from the International Monetary Fund to repay maturing debt owed to private investors will surely rank as the most audacious ever undertaken. But the very nature of borrowing from Peter to pay Paul meant that it could not go on for long.

It fell apart last week — despite the huge outpouring of support, as too many investors were expected to announce details on how the temporarily frozen domestic market debt will be rescheduled and serviced.

Significantly, Russia's foreign-currency sovereign debt has so far been excluded from rescheduling. Never-

less, the collapse in confidence in Russia has also caused prices on its dollar debt to fall to default-like levels. But Russia's foreign-currency debt service payments are estimated to amount to an easily manageable \$1.4 billion over the next three quarters.

At the end of last week, its three-year dollar debt — successfully marketed in November 1996 to yield investors 345 basis points, or 3.45 percentage points, over U.S. government paper — traded at a spread of 3.661 basis points. The dollar bonds maturing in nine years, initially offered at a spread of 375 basis points, now trade at a spread of 2.338 basis points.

The higher premium on the shortest-dated paper, dealers said, reflects expectations that over the longer term Russia's problems look less serious than those in the immediate future. Nearly three-quarters of the domestic

ruble debt which is to be rescheduled was to mature prior to December 1999. Since the start of this year Russia had been obliged to pay annual rates of interest of more than 30 percent to find buyers for new debt. Since late May, the rate of interest Russia had to pay to attract investors exceeded 60 percent. And in the weekly auction that preceded the financial crisis, the government paid an annual rate of interest of 147.93 percent to raise new money.

With inflation in Russia running at an annual rate of around 7 percent, the "real" return — what investors are left with net of inflation — of nearly 141 percent "has been completely obnoxious," said Charles Wyplosz, an economic consultant to the government who teaches at the Graduate Institute of International Studies in Geneva. "Real" interest rates in the West historically run at 3 to 4 percent.

"The only explanation for such high real interest rates," Mr. Wyplosz said, "is that markets were factoring in the likelihood of a default. Now that the default comes, no one should be surprised. There is no other explanation for an interest rate exceeding 60 percent other than there will be a default or a devaluation, or both. Effectively, the market had it right. There should be no surprise; there is no expropriation."

Those who now shout that the credibility of the government is shattered can't really mean it. If they were lending money at such rates there was no credibility anyway.

To put some perspective on the numbers, Riccardo Barbiere at Morgan Stanley Dean Witter estimated that international investors hold some \$11 billion of domestic market debt, another \$48.5 billion in foreign-currency debt, and some \$21 billion through syndicated loans.

"If all these holdings were to lose, say, 50 percent of their value, the global investment and banking community would lose some \$40 billion," he said.

Among the new measures announced

by the Russians, the ruble will now be free to trade in a 50 percent range between 6 and 9.5 rubles to the dollar.

For Mr. Wyplosz, the Russians will remain obliged to pay "obscenely high" real rates of interest to borrow from private markets until the government solves its tax collection problems — a solution he expects can only come once Boris Yeltsin has been replaced as president.

"The Russians are hostage to the market," Mr. Wyplosz said. "It's the price they have to pay because they can't solve their tax collection problem."

As for the very high rates investors have been paid, a London-based banker who asked that neither he nor his firm be identified said it this way: "The high risk premium paid by Russia is not an 'insurance' for investors against default. High risk premium does not justify a default. But because investors have received high risk premium they should certainly recognize the high probability of a default and should not expect to have someone come along to bail them out."

Meanwhile, analysts are urging governments to rethink how the international system operates. John Lipsky at Chase

Manhattan Bank, who earlier in his career had worked at the International Monetary Fund, and John Llewellyn at Lehman Brothers, who formerly was at the Organization for Economic Cooperation and Development, are urging governments to seriously begin work to overhaul the international monetary system and adapt it to the new environment where private capital flows have become all-important.

"There is a crying need for a second Bretton Woods-type exercise, to try to devise new rules aimed at a better functioning of international capital flows and exchange rates," Mr. Llewellyn said, referring to the system of fixed-exchange rates that existed until the 1970s.

In Mr. Lipsky's view, "The basic approach of our crisis management system is almost certainly ill-conceived. The notion that the IMF should act as a kind of financial rapid reaction force backed up by a massive financing facility is inevitably bound to fail. There simply is not enough public money available to take the place of private investors."

## Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending Aug. 21. Prices supplied by Telekurs.

Rank Name Cps Maturity Price Crt Yld

**Austrian Schilling**

143 Austria 5 01/15/98 102.9000 4.5800  
201 Austria 4.30 07/15/93 100.4000 4.2700  
204 Austria 6 01/15/97 115.0000 5.4300

**Belgian Franc**

174 Belgium zero 12/1/98 98.9317 3.4300

**British Pound**

105 Fannie Mae 6 04/07/02 101.1250 6.8000  
244 Amintion 4 zero 12/07/22 11.8750 6.4300

**Danish Krone**

12 Denmark 7 11/15/07 114.6300 6.0000  
20 Denmark 8 05/15/03 115.6000 6.9500  
24 Denmark 8 05/15/03 109.9000 6.1800  
27 Denmark 8 03/15/04 121.0100 6.6100  
34 Denmark 4 11/15/04 122.9000 5.7000  
46 Denmark 4 11/15/04 101.0000 6.1000  
54 Denmark 4 12/15/04 102.1000 5.8800  
62 Denmark 4 12/15/04 101.0000 6.6500  
78 Denmark 7 12/15/04 113.3000 6.1800  
82 Denmark 4 11/15/02 104.2300 5.5200  
85 Denmark 4 02/15/01 99.5000 4.4000  
87 Denmark 4 10/15/99 99.5000 4.4000  
91 Denmark 7 10/15/99 101.7000 4.8800  
95 Denmark 7 11/15/01 116.7000 7.2300  
145 Denmark 7 10/15/99 101.7000 4.8800  
181 Denmark 7 10/15/99 99.5000 4.4000  
209 Denmark 4 10/15/99 99.5000 4.4000  
214 Denmark 4 02/15/00 100.0000 4.9000

**Deutsche Mark**

1 Germany 5 01/04/98 103.7250 5.0600  
2 Germany 3 01/04/98 102.7500 5.2300  
4 Germany 4 01/04/98 102.7500 5.2300  
6 Germany 4 01/04/98 102.7500 5.2300  
8 Germany 4 01/04/98 102.7500 5.2300  
10 Germany 4 01/04/98 102.7500 5.2300  
12 Germany 4 01/04/98 102.7500 5.2300  
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108 Germany 4 01/04/98 102.7500 5.2300  
110 Germany 4 01/04/98 102.7500 5.2300

Rank Name Cps Maturity Price Crt Yld

112 Germany 5 05/25/99 101.5900 5.6000  
114 Germany 6 07/15/99 99.5000 5.7500  
116 Germany 7 12/20/02 111.9000 4.3700  
118 Germany 6 09/15/03 108.4300 5.2300  
120 Germany 6 04/01/00 102.0000 5.2300  
122 Germany 6 05/21/01 111.4488 5.7100  
124 Germany 6 09/15/99 103.1600 4.5400  
126 Germany 6 08/15/98 93.3437 4.9300  
128 Germany 5 05/15/00 102.8000 5.4800  
130 Germany 6 04/21/99 102.5000 4.5900  
132 Germany 7 01/15/00 104.3413 6.7100  
134 Germany 3 01/15/98 100.0000 3.5000  
136 Germany 4 07/25/99 102.3400 4.1100  
138 Germany 4 05/22/00 108.2588 4.8800  
140 Germany 8 12/20/00 110.9784 6.0000  
142 Germany 6 12/17/98 100.5000 4.9800  
144 Germany 4 07/15/00 112.9000 5.9500  
146 Germany 3 01/15/98 100.0000 3.5000  
148 Germany 4 07/25/99 102.3400 4.1100  
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244 Germany 4 07/25/99 102.3400 4.1100  
246 Germany 4 05/22/00 108.2588 4.8800  
248 Germany 8 12/20/00 110.9784 6.0000  
250 Germany 6 12/17/98 100.5000 4.9800

Rank Name Cps Maturity Price Crt Yld

219 Cybernet FRN 3.596 07/04/02 103.1100 3.5900  
221 France 4 07/12/03 101.4900 4.6300

**Polish Zloty**

144 World Bank zero 03/20/28 1.0850 1.65100

**Spanish Peseta**

155 Spain 4 01/21/00 109.5500 5.4800  
191 Spain 4 07/20/02 94.4154 4.4100  
244 Spain 6.15 01/21/13 111.4900 5.2300

**Swedish Krona**

146 Sweden 10 05/05/00 109.5770 5.3300  
148 Sweden 8 08/15/07 123.9770 6.4300  
193 Sweden 9 02/20/02 104.8610 4.6800  
234 Sweden 5 04/21/02 103.4410 5.7100

**U.S. Dollar**

2 Brazil 5 04/15/14 74.9189 6.5700  
3 Brazil FRN 4 01/01/01 65.7856 10.2400  
4 Argentina FRN 4 02/28/05 79.0154 8.3800  
11 Brazil L FRN 6 04/15/06 74.9336 8.4300  
19 Argentina 9 09/15/07 94.3035 10.3400  
28 Argentina 10 02/28/12 144.7212 24.6500  
29 Venezuela FRN 4 12/21/15 27.5000 24.9900  
33 Russia 12 06/24/28 78.4461 12.5500  
41 Venezuela FRN 6 12/15/07 64.7480 12.5300  
42 Mexico 6 01/15/12 70.3890 9.4100  
48 Korea 8 04/15/08 84.9899 10.4400  
50 Russia 11 07/21/11 41.5000 24.5100  
54 Venezuela FRN 6 01/15/12 70.3890 9.4100  
59 Argentina L 5 03/21/23 69.3730 8.2900  
67 Brazil 10 05/15/27 77.1746 13.1200  
68 Brazil 10 05/15/27 77.1746 13.1200  
69 Mexico 11 12/15/19 76.0000 8.2200  
84 Russia 11 04/15/03 83.3750 24.2900  
85 Russia 11 04/15/03 83.3750 24.2900  
94 Russia 6 07/24/05 24.9000 25.7400  
94 Russia 9 11/27/01 50.2500 10.4100  
94 Russia 9 11/27/01 50.2500 10.4100  
103 Mexico 9 01/15/07 55.6200 10.3300  
111 Mexico 6 02/28/12 85.0250 10.7000  
116 Brazil FRN 6 04/15/09 69.2500 5.6400  
119 World Bank 5 02/04/08 99.0487 5.8100  
120 Brazil FRN 6 04/15/12 70.3890 9.4100  
121 Poland 4 10/27/14 87.9532 4.5500  
124 Italy 6 03/25/08 100.6022 5.9400  
125 World Bank 5 08/15/25 100.5000 5.7300  
126 Ecuador FRN 4 02/28/12 85.0250 10.7000  
127 Brazil 5 04/15/12 63.0000 8.7300  
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## India Looks To Signs of Recovery After 'Gloom'

By Eric Hubler  
New York Times Service

JAIPUR, India — India's economic outlook is not gloomy and positive signals are emerging after a slowdown, according to Finance Minister Yashwant Sinha.

He cited a rise in revenues from taxes and added that industrial growth in the key capital goods sector had improved. Credit disbursements to industry were also up, he said.

"It is not all gloom and doom," Mr. Sinha said Saturday. "There are certain positive signals and we should look at those positive signals."

The government expects gross domestic product to grow 6.5 to 7 percent in the year ending in March 1999, compared with 5.1 percent in the previous year. It was 7.5 percent in the year ended in March 1997.

"While the East Asian crisis has refused to go away, and in fact has even deepened in a certain way, we are able to stand up and this is a challenge and an opportunity for India," he said.

He said the "tremendous" success of the Resurgent India Bonds offered this month to expatriate Indians by the State Bank of India reflected investor confidence in India.

By Aug. 17, the bonds had collected \$2.2 billion. The issue is to close Monday.

In his 1998-99 budget, Mr. Sinha raised spending on housing and infrastructure to boost growth.

He said he backed moves last week by the Reserve Bank of India to support the rupee, as the dollar slipped to a record 43.7 rupees on Thursday. The bank's steps pushed the dollar back down to 42.56 rupees on Friday.

"My own feeling is the steps taken to cool the market have generally been welcomed," Mr. Sinha said, addressing fears that the action on banks might squeeze credit for industry. "Therefore, it will not have any great impact on the interest rate."

He said foreign investors were upbeat on India.

"Their commitment to India is total, they are not fly-by-night operators and all of them have promised to continue their involvement in India," he said.

Critics had raised questions over the investment climate after India conducted a series of nuclear tests in May, triggering economic sanctions from the United States and Japan.

Mr. Sinha said foreign investors "are far more positive about India than some of our own people."

"Therefore," he added, "it gives me hope that foreign investment will continue to flow and the initial negative feeling which was created about this government has waned away now."

## Gold Hasn't Done Well, but History Is on Its Side

By Eric Hubler  
New York Times Service

A bit over four years ago, an aging German uncle who has seen a lot of trouble gave his niece a wedding gift of three gold coins, along with this admonition: "May you never have to use them."

Let's hope not. Those coins, slumbering in a bank vault, have declined 26 percent in dollar terms. Blue-chip stocks, meanwhile, and some real estate have more than doubled.

What kind of hedge is that—a hedge against getting rich? Is gold, the traditional talisman against everything from tyrants to inflation to stock market plunges, losing out?

No, says Douglas Cohen, an analyst for Morgan Stanley Dean Witter—but you could be forgiven for thinking so.

"History is full of episodes where people have said gold is dead, and sure enough, it's tended to rally back very strongly," he said. "Gold has thousands of years of history on its side."

What's scary now is that, at about \$289 an ounce, gold is not far from its production cost of \$250 to \$260 an ounce, although it is up from January's 18-year low of \$278.

Gold has quite a roll call of negatives. Start with currencies. Because gold is denominated in U.S. dollars, which are currently strong, it is less affordable than it once was in traditionally gold-hungry markets like India.

But even with demand down, production has been rising in Australia, Canada and South Africa, and there are fears of more gold coming to market,

perhaps from the Russian central bank or the International Monetary Fund seeking to raise cash during Russia's fiscal crisis.

What is bad for gold has been even worse for gold shares. Gold has fallen less than 2 percent in 1998, but Morn

### INVESTING

ingstar Inc., the Chicago mutual fund publisher, says the average precious metals fund fell 21.8 percent this year through last Monday and 43.5 percent in the last year.

But Harry Bingham, who manages two gold funds for Van Eck Associates, says gold is as important as ever. "Gold is the only money," he said.

"You might say silver is money, but that's only pocket change. And every-

thing else we call money is really a credit instrument."

After the 1929 market crash, when stocks declined 90 percent, gold rose 70 percent, and the shares of gold producers like Homestake Mining catapulted 700 to 800 percent. Talk about a diversifier: "Ten percent in that would have salvaged the whole portfolio," Mr. Bingham said.

"We're seeing some paper money just evaporate" today, he said, citing the Indonesian rupiah and the South Korean won. "So I think we're probably fairly close to a turning point in the perception of the value of gold versus paper money."

Daniel Leonard, manager of the Invesco Strategic Gold Portfolio fund, said: "If you were in the yen and bought gold a couple of years ago, you're look-

ing pretty good now." The same goes, he says, for people who have to put food on the table with rubles or yuan or Canadian dollars.

In the United States, gold investors typically buy shares in either gold mutual funds or mining companies, rather than the metal itself.

Bill Martin, manager of the American Century Global Gold fund, favors Barrick Resources, which has reduced costs to \$150 an ounce at a new mine in Peru.

Leo Larkin, a metals analyst at Standard & Poor's Corp., mentions Newmont Mining, Placer Dome and Barrick as low-cost producers.

The woman with the wise uncle, meanwhile, reports that those three nuptial coins are staying right where they are.

## Nike Under Fire Over Australian Labor Code

Agence France-Presse

SYDNEY — The sportswear giant Nike came under attack Sunday over its refusal to sign an Australian code intended to ensure that home-based workers are not exploited.

Opponents of Nike's labor practices said the company had paid home-based workers as little as 2 Australian dollars (\$1.16) an hour, a fraction of the minimum wage here, to make their products.

FairWear, a group fighting the exploitation of home-based workers, said

90 companies had signed the Australian Homeworkers Code of Practice since it was recommended by the Senate 18 months ago.

A FairWear spokeswoman, Pamela Curr, said Nike had continued to refuse to sign the code, which was created to guarantee that home-based workers received a fair wage and were not exploited.

"They say they don't need to—they've got their own code," she said. "We say, 'How can Nike monitor from New York?'"

"Nike's code's not good enough for Australian workers," she said.

Ms. Curr said that one of Nike's major competitors, Adidas, had joined the list of signatories last week.

A small group of protesters gathered outside Nike's factory outlet in the Melbourne suburb of Collingwood on Sunday to show their anger at the company's refusal to sign the code.

Nike could not be contacted for comment, but it has regularly denied using home-based workers, insisting that its products are factory-made.

## MARKETS: Effects of the Current Financial Crisis Will Be Long-Lasting, Analysts Say

Continued from Page 1

cent. And analysts are warning that the Bund yield could collapse.

Given the current unease, analysts worry that holders of Bund futures may demand physical delivery instead of, as is normally the case, simply rolling over positions. The concern stems from the fact that positions in the 10-year future amount to some 168 billion Deutsche marks (\$93.46 billion)—more than double the 74 billion DM in the cash market—and demand to satisfy physical delivery as contracts expire could drive the cash price so high that the yield falls sharply below its already record low.

Graham McDewitt, London-based analyst at Banque Paribas, warned that "a traditional analysis of value will become unstuck in this environment," and he cautioned investors to expect the yield to set new lows.

These reductions in benchmark bond yields are causing distress because only they are falling. Normally, moves in benchmark yields cause changes along the entire spectrum of fixed-rate risk.

When this does not happen, as now, the spreads between the benchmark paper and other securities widens — a killing development, on top of all their other woes, for investors or speculators positioned for spreads to narrow. Traders already report seeing distress selling, particularly by money managers and hedge funds.

Under all this, though, Butler keeps coming back to the CIA subplot, and it's during these interminable spy vs. spy digressions that one's mind has time to wander. That, unfortunately, proves fatal for "Dreamer," as the holes in the plot begin to run like nylon.

"Dreamer" is the product of a pyrotechnic mind that doesn't know when to stop lobbing Roman-candle ideas. By setting off every firework in its arsenal simultaneously, "Dreamer" ultimately evaporates instead of dazzles.

Kevin Allman, an Edgar nominee for his novel "Tight Shot," wrote this for The Washington Post.

It is this change in interest rate relationships that analysts see as so significant in last week's events. The reassessment of credit risk, revealing it, is evident in the widening to record levels of swap spreads — the basis for nearly all transactions in the international market — and in the very sharp widening of spreads on the entire gamut of issues trading in the secondary market.

To use the most extreme example,

Investors are now only interested in how best to preserve the capital they have at their disposal."

It was Russia's devaluation of the ruble last week that sent tremors not only through other East European markets but also in markets in Latin America where fiscal imbalances and rising financial needs make countries vulnerable to a loss of confidence.

Deutsche Bank last week reported "a high probability that Venezuela will devalue in the next few days" and observed that yield curves in Brazil, Chile

and Colombia "are pricing in devaluation in the next six months." Mexico's equity and currency markets were also under pressure last week.

With the entire emerging market sector effectively closed to new borrowings, Jan Leys at J.P. Morgan in London said that "the real crisis will hit when Latin American governments and companies need to refinance themselves and discover how little appetite there is (for new lending) in the market. The capital market is not open," he said.

And banks in the United States, Western Europe or Japan are in no mood to increase their exposure" through the syndicated loan market.

With Latin America and Eastern Europe threatening to join in Asia's economic woes, Mr. Lipsky said that

"the current environment is the most difficult in recent decades."

■ Dollar Seen Rising Against Yen

The dollar is expected to rise against the yen this week on signs Japan's recession and banking crisis are deepening, keeping investors leery of the country's financial assets and the currency needed to buy them, Bloomberg News reported.

The dollar rose Friday after troubled Long-Term Credit Bank of Japan Ltd. said it would seek taxpayer money to help get its house in order before merging with Sumitomo Trust & Banking Co.

LTCB's troubles are "reminding people how dire things are in Japan's financial sector," said Thomas Benfer, director of foreign exchange at Bank of Montreal.

For the week, the dollar fell 1.2 percent to 144.65 yen. The dollar is seen climbing against the Deutsche mark this week as traders worry that Russia's financial crisis will worsen.

On Sunday, President Boris Yeltsin fired the entire Russian government and named Viktor Chernomyrdin as interim prime minister. This comes less than a week after Russia said it would allow the ruble to fall by as much as a third this year.

"The devaluation in Russia is going to reverberate throughout Eastern Europe," said Amy Ary, senior analyst at Thompson Global Markets. The dollar will "easily trade above 1.80 DM."

Who are these do-it-yourselfers? Until six months ago, said industry experts, the typical on-line investor was male, college-educated, from 32 to 42 years old, with an annual salary of \$75,000.

These days the crowd has been joined by legions of homemakers, retirees, precocious teenagers and disgruntled employees dreaming of going pro. For many, the daily ritual of logging on to check the portfolio has become as crucial as a morning cup of coffee.

"I'm sitting here writing an employee review and I can switch screens and take a look at how my stocks are doing," said Chester Lee, a warehouse supervisor at a chemical manufacturing firm in San Francisco. "This technology is wonderful."

Nearly every on-line trader has a gut-churning war story to share. For Mr. Lee,

## SHORT COVER

### Deutsche Telekom Sets

#### Pact With Microsoft

FRANKFURT (Reuters) — Deutsche Telekom AG and Microsoft Corp. plan to enter jointly the market for Internet television, the news magazine Focus reported Sunday.

In a summary of an article in its Monday edition, Focus reported that both companies planned to market jointly a device that would connect a television set with the Internet.

The new WebTV decoder would be unveiled next week at the CeBIT home consumer electronics fair in Hannover, Focus said.

### Siemens Denies Talk

#### Of Deal With Motorola

MUNICH (Bloomberg) — Siemens AG denied a German newspaper report that it planned to form a mobile-phone joint venture with Motorola Inc.

"It's absolutely ridiculous," said Thomas Weber, a Siemens spokesman, referring to a report in Die Welt am Sonntag. The report, citing no sources, said Siemens wanted to pool its mobile-phone activities with Motorola's to lower research and development costs and raise production volumes.

### Branson Delays Plans

#### For Virgin Share Offer

LONDON (Reuters) — The British entrepreneur Richard Branson has put on hold his plans for a £1 billion (\$2.68 billion) flotation of his Virgin Atlantic airline, said a report in the newspaper Sunday Business.

The report, based on an interview with Mr. Branson, said he would only resurrect the plan if he needed to raise cash for another project.

### Regulators Approve

#### Acquisition by Nortel

BRAMPTON, Ontario (Bloomberg) — Northern Telecom Ltd. said it received European and Canadian regulatory approval for its \$7.19 billion acquisition of Bay Networks Inc.

Nortel said the acquisition received the approval of the European Commission and the Canadian Competition Bureau Saturday, and passed the U.S. antitrust waiting period on Aug. 6 without protest. Bay shareholders will vote Friday, and if they approve it, the purchase will close three days later.

### World Bank to Help

#### Sierra Leone Mines

FREETOWN, Sierra Leone (AFP) — The World Bank has agreed to assist Sierra Leone in implementing a plan estimated at \$5 million dollars to develop the country's mining sector.

State radio said Saturday that the bank sent a mining expert to Sierra Leone who helped draw up the new Mineral Resources Development Policy. The radio also said the bank had approved the government's request to provide short-term assistance "to help reactivate mineral production to attract investment and improve small-scale mining."

## BOOKS

### DREAMER

By Jack Butler. 418 pages. \$25. Knopf. Reviewed by Kevin Allman

JACK BUTLER has published novels ("Living in Little Rock with Miss Little Rock," "Jujitsu for Christ"), short stories, poetry and even a collection of recipes ("Jack's Skillet"). His latest work, "Dreamer," is a New Age espionage cyberthriller, not a cookbook, but there are still a lot of ingredients in Butler's literary slumgullion.

Our heroine is Jody Nightwood, a sleep researcher who runs a clinic in Santa Fe. By day, Jody and her best pal Toni treat insomnia and apnea; by night, she runs her own experimental dream research, paid for with a grant from a mysterious pharmaceutical concern. Jody is a whip-smart young woman who doesn't know how to turn off her own brain sometimes; "I get vitamins from thinking," she complains.

Meanwhile, somewhere in the highest levels of government, a renegade computer scientist has come to the conclusion that the first true artificial intelligence will be a computer that can dream, and his obsession leads him straight to Santa Fe and Jody's nocturnal studies.

All the dream research in the world

can't cover up the fact that Jody's waking life is in shambles; on Valentine's Day, she ends up buying chocolates for her cats and eating the candy herself. So when a tall, good-looking writer named John Shade shows up, a mysterious self-proclaimed "country boy," Jody falls for him like a Madison County housewife. But is Shade part of the cabal out to get Jody's research, or a protector sent from the other side?

Butler does a good job keeping us guessing for a while, and even midway through "Dreamer" we're not quite sure. None of the characters is quite what he or she seems. This is fun, for a hit; Toni's boyfriend Vic Vigil, for instance, isn't just a cop, but an Indian shaman named Dead Man Walking.

But when Shade is revealed to be not just a writer and CIA operative, but — as readers of Butler's "Nightshade" will have guessed — an honest-to-gosh vampire (from Transylvania, Virginia, no less), things go from fanciful to far-fetched, and Butler's story goes into a long slide when he attempts to meld his cyber-supernatural love story with a mundane espionage plot involving the CIA. It's a load of cheap-jack Hollywood foldout that piles spoons upon counterpoises upon counter-counterpoises to confusing effect, until it seems that the whole of the U.S. in-

telligence world is focused entirely on Jody Nightwood. The most annoying of these contrived fellows are a pair of gay assassins-for-hire, one a cultured Brit and the other an American boy with the face of Tom Cruise and the soul of Andrew Cunanan.

"Dreamer" is at its best when Butler is riffing about the nature of dreams and punctuating Santa Fe's New Age think tanks and touchy-feely folk. And when Jody and company sit around discussing their own theories about the meaning of dreams, it's got the relaxed, intellectual charge of a bunch of grad students gassing about their fields over a bottle of wine.

Under all this, though, Butler keeps coming back to the CIA subplot, and it's during these interminable spy vs. spy digressions that one's mind has time to wander. That, unfortunately, proves fatal for "Dreamer," as the holes in the plot begin to run like nylon.

"Dreamer" is the product of a pyrotechnic mind that doesn't know when to stop lobbing Roman-candle ideas. By setting off every firework in its arsenal simultaneously, "Dreamer" ultimately evaporates instead of dazzles.

Kevin Allman, an Edgar nominee for his novel "Tight Shot," wrote this for The Washington Post.

## BRIDGE

By Alan Truscott

A GAME was played in Seattle in June at the home of Bill Gates of Microsoft, whose guests included Warren E. Buffett of Berkshire Hathaway, one of his two closest rivals for the title of world's wealthiest man. The third was Katherine Graham, the former publisher of The Washington Post. The fourth was Sharon Osberg, Gates' bridge teacher, who contributed master points rather than cash to the total around the table. Everyone was so enthusiastic that the game went on for seven hours.

None of the deals proved memorable. On another occasion Osberg, South on the diagrammed layout, outwitted Buffett, who was West. But her play would have fooled many a world champion.

The contract was six no-trump, reached simply. When North made a strong rebid, South used Blackwood en route to slam. The opening heart lead was won with dummy's ace. South counted 11 tricks, and saw that the 12th would probably have to come from the diamond suit. This requires a guess about the location of the ace and queen. Most players would postpone the

guess until late in the play, which is often the right strategy. But it is not right here. South's best chance of making a diamond trick is to play the suit immediately. Obviously the result is predetermined if both the ace and the queen are in the same hand, so South simply worries about split honors. There are two expert strategies. One is to lead the 10 from dummy at the second trick, with the reasonable expectation that East will cover with the queen if he has it. Playing low would permit the declarer to take two diamond tricks with a holding headed by ace-jack or king-jack.

Osberg followed a second path by leading low from dummy and putting up the king. This lost to the ace, but West had no idea that East held the queen. He played a second heart, and South was

now able to bring her backing up plan into action. She took the heart king and ran five club winners to reach this ending:

The lead of the last club squeezed East, and the slam was made in spite of the misguess in diamonds.

WEST NORTH (D) ♠ 3 ♠ A 7 ♠ 10 ♠ A K Q J 5 5

EAST ♠ 10 8 4 2 ♠ Q J 10 ♠ Q 5 3 ♠ 2

SOUTH NORTH ♠ A K Q 7 ♠ K 5 5 ♠ K 5 4 ♠ 8 7

North and South were vulnerable. The bidding: North East South West 1 ♠ Pass 1 ♠ Pass 3 ♠ Pass 4 N.T. Pass 5 ♠ Pass 5 N.T. Pass Pass Pass

West led the heart four.

## TRADES: Thriving on the Thrills and Spills of On-Line Investing

Continued from Page 11

going to happen to on-line investors if a nasty, grinding bear market wrecks the party? They'll stand pat, said executives at Internet firms, who remind anyone who asks that individual investors stuck around during recent swoons, even as professionals ran for the exits. Richard Kahane, a retired federal worker in McLean, Virginia, for example, watched the market sink two weeks ago, turned off his computer and went gardening.

Further, on-line executives said, brokers have offered plenty of lousy advice over the years.

"Internet investors do their own research and get emotionally attached to their stocks," said Christos Cotsakos, the evangelist chief executive of E-Trade. "That's far better than having some broker call you and say, 'Hey, there's this company that I'd like you to look at.'"

Not surprisingly, the on-line trading boom is rattling the multibillion-dollar financial services industry and causing dyspepsia among traditional brokerage houses such as Merrill Lynch & Co. and Morgan Stanley Dean Witter. For years those companies charged hefty premiums on the theory that consumers want advice from a salaried expert, not just someone

to administer their portfolios. Jumping into on-line trading risks underselling and undermining the army of brokers who provide their core business.

"We believe that most investors want a knowledgeable adviser and partner to give them advice," said Launty Steffens, vice chairman of Merrill Lynch, which plans to offer Internet trading, though not at discount prices. "There are relatively few examples of people who trade every day being super-successful at it."

Who are these do-it-yourselfers? Until six months ago, said industry experts, the typical on-line investor was male, college-educated, from 32 to 42 years old, with an annual salary of \$75,000.

These days the crowd has been joined by legions of homemakers, retirees, precocious teenagers and disgruntled employees dreaming of going pro. For many, the daily ritual of logging on to check the portfolio has become as crucial as a morning cup of coffee.

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Nearly every on-line trader has a gut-churning war story to share. For Mr. Lee,

the enemy was Baan NV, a software maker that he thought was vastly overvalued. He took a "short" position on the shares, effectively betting that they would fall, only to watch them double in ensuing months. His losses totaled \$35,000 before he sold his position.

Since then Mr. Lee has honed his methods for finding and wagering against what he calls "broken companies," and this year he's made \$40,000 on the market, a return of 25 percent. "If I get to \$100,000 this year, I told my wife that I'm going to quit my job," he said.

All the talk about the possible end of a 15-year bull market daunts few of these financial frontiersmen. There now are about 220,000 on-line traders each day, roughly double the figure from a year earlier, and more firms are rushing to serve these customers.

Mr. Riley, for one, isn't giving up the four-second commute to his office from his bedroom. After a falling out with a former partner, he vowed never to work with anyone else again. Then, taking a look at his broker, he had a revelation: "He's a nice guy and a good guy, but he's not any smarter than I am."

And if the market crashes? "I guess," Mr. Riley said, "I'll have to find something else to do."

## STOCKS: Watching the Dow Becomes a National Obsession

Continued from Page 11

in the last few years, including the case of an AT&T Corp. labor negotiator who was accused of tipping off more than a dozen friends and relatives about pending takeovers: 16 people have settled charges so far.

To be sure, Americans have always become interested in the stock market when it has gone up — which is exactly what it has been doing since 1994. "It's like your hometown sports team," said Martin Fridson, a managing director of Merrill Lynch & Co. and the author of several books about the market. "The hard-core fans are always there, but attendance goes up when they are championship contenders."

Mutual funds boomed in the go-go 1990s, Walter Winchell broadcast stock tips to the masses in the early 1920s, and before the crash of 1929, speculators like William Durant,

anyone who wanted to buy or sell a stock had to call his or her broker to get the price, and then pay a hefty sum to complete the trade. Today, stock prices are available to anyone with a television, radio or computer, and investors can trade on line for as little as \$10 a transaction.

And even conservative investors find themselves paying more attention to their portfolios, just because they can. Duncan Cameron, a film

editor and director who began investing more than a decade ago, used to read his brokerage statement every month — when he remembered. Now, he looks at his portfolio every night on the Internet.

"I think this is an information revolution first, and a stock revolution second," said Charles Geisst, author of "Wall Street: A History."

"The more information people see about something, the less they are afraid of it," he added.

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Korea 0800-4552 Singapore 800-132501 Spain 900-63-1007  
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Consolidated prices for all shares  
traded during week ended Friday,  
Aug. 21

Div	Yr	High	Low	Close	Open
121	1997	1.21	1.21	1.21	1.21
122	1997	1.22	1.22	1.22	1.22
123	1997	1.23	1.23	1.23	1.23
124	1997	1.24	1.24	1.24	1.24
125	1997	1.25	1.25	1.25	1.25
126	1997	1.26	1.26	1.26	1.26
127	1997	1.27	1.27	1.27	1.27
128	1997	1.28	1.28	1.28	1.28
129	1997	1.29	1.29	1.29	1.29
130	1997	1.30	1.30	1.30	1.30
131	1997	1.31	1.31	1.31	1.31
132	1997	1.32	1.32	1.32	1.32
133	1997	1.33	1.33	1.33	1.33
134	1997	1.34	1.34	1.34	1.34
135	1997	1.35	1.35	1.35	1.35
136	1997	1.36	1.36	1.36	1.36
137	1997	1.37	1.37	1.37	1.37
138	1997	1.38	1.38	1.38	1.38
139	1997	1.39	1.39	1.39	1.39
140	1997	1.40	1.40	1.40	1.40
141	1997	1.41	1.41	1.41	1.41
142	1997	1.42	1.42	1.42	1.42
143	1997	1.43	1.43	1.43	1.43
144	1997	1.44	1.44	1.44	1.44
145	1997	1.45	1.45	1.45	1.45
146	1997	1.46	1.46	1.46	1.46
147	1997	1.47	1.47	1.47	1.47
148	1997	1.48	1.48	1.48	1.48
149	1997	1.49	1.49	1.49	1.49
150	1997	1.50	1.50	1.50	1.50
151	1997	1.51	1.51	1.51	1.51
152	1997	1.52	1.52	1.52	1.52
153	1997	1.53	1.53	1.53	1.53
154	1997	1.54	1.54	1.54	1.54
155	1997	1.55	1.55	1.55	1.55
156	1997	1.56	1.56	1.56	1.56
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158	1997	1.58	1.58	1.58	1.58
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160	1997	1.60	1.60	1.60	1.60
161	1997	1.61	1.61	1.61	1.61
162	1997	1.62	1.62	1.62	1.62
163	1997	1.63	1.63	1.63	1.63
164	1997	1.64	1.64	1.64	1.64
165	1997	1.65	1.65	1.65	1.65
166	1997	1.66	1.66	1.66	1.66
167	1997	1.67	1.67	1.67	1.67
168	1997	1.68	1.68	1.68	1.68
169	1997	1.69	1.69	1.69	1.69
170	1997	1.70	1.70	1.70	1.70
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177	1997	1.77	1.77	1.77	1.77
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179	1997	1.79	1.79	1.79	1.79
180	1997	1.80	1.80	1.80	1.80
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182	1997	1.82	1.82	1.82	1.82
183	1997	1.83	1.83	1.83	1.83
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185	1997	1.85	1.85	1.85	1.85
186	1997	1.86	1.86	1.86	1.86
187	1997	1.87	1.87	1.87	1.87
188	1997	1.88	1.88	1.88	1.88
189	1997	1.89	1.89	1.89	1.89
190	1997				

[illegible]

Date		Time		Location		Remarks	
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3	10/10/2023	12:00	13:00	Room 101	John Doe	Completed task C	Good progress
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81	10/10/2023	18:00	19:00	Room 101	John Doe	Completed task CC	Good progress
82	10/10/2023	19:00	20:00	Room 101	John Doe	Completed task CD	Good progress
83	10/10/2023	20:00	21:00	Room 101	John Doe	Completed task CE	Good progress
84	10/10/2023	21:00	22:00	Room 101	John Doe	Completed task CF	Good progress
85	10/10/2023	22:00	23:00	Room 101	John Doe	Completed task CG	Good progress
86	10/10/2023	23:00	00:00	Room 101	John Doe	Completed task CH	Good progress
87	10/10/2023	00:00	01:00	Room 101	John Doe	Completed task CI	Good progress
88	10/10/2023	01:00	02:00	Room 101	John Doe	Completed task CJ	Good progress
89	10/10/2023	02:00	03:00	Room 101	John Doe	Completed task CK	Good progress
90	10/10/2023	03:00	04:00	Room 101	John Doe	Completed task CL	Good progress
91	10/10/2023	04:00	05:00	Room 101	John Doe	Completed task CM	Good progress
92	10/10/2023	05:00	06:00	Room 101	John Doe	Completed task CN	Good progress
93	10/10/2023	06:00	07:00	Room 101	John Doe	Completed task CO	Good progress
94	10/10/2023	07:00	08:00	Room 101	John Doe	Completed task CP	Good progress
95	10/10/2023	08:00	09:00	Room 101	John Doe	Completed task CQ	Good progress
96	10/10/2023	09:00	10:00	Room 101	John Doe	Completed task CR	Good progress
97	10/10/2023	10:00	11:00	Room 101	John Doe	Completed task CS	Good progress
98	10/10/2023	11:00	12:00	Room 101	John Doe	Completed task CT	Good progress
99	10/10/2023	12:00	13:00	Room 101	John Doe	Completed task CU	Good progress
100	10/10/2023	13:00	14:00	Room 101	John Doe	Completed task CV	Good progress

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## SPORTS

## A Birthday Bunt Carries the Twins

Molitor, 42, Comes Through in 9th

The Associated Press  
Paul Molitor celebrated his 42nd birthday with a bunt single with two out in the bottom of the ninth inning to drive in the winning run as the Minnesota Twins beat the Boston Red Sox, 4-3.

The play on Saturday night in Minneapolis was vintage Molitor — heady and hard-charging all the way, despite a sprained ankle.

After taking a ball from the 43-year-old Dennis Eckersley, Molitor saw the Boston third baseman, John Valentin,

## AL Roundup

take a step back. That gave Molitor a little extra space, and he dropped the bouncing bunt to third.

Eckersley was the only player in position to make a play, but he threw late and wide of first base. The ball trickled into right field, allowing Pat Meares to score the winning run and Molitor to collect career hit No. 3,281.

But the hit was unlike any other Molitor could remember in his 21-year career: a two-out, game-winning bunt single in the bottom of the ninth.

"I guess after 21 years there's still time for firsts," he said.

Admittedly anxious after a weeklong layoff because of the ankle, Molitor took only one pitch through his first four at-bats, going 0-for-4 and stranding four runners.

**Orioles 6, Indians 3** In Baltimore, Scott Erickson pitched a seven-hitter for his AL-best ninth complete game, and the Orioles took advantage of eight walks and a balk to beat Cleveland.

Cal Ripken homered as the Orioles snapped a two-game losing streak and improved to 31-10 since the All-Star break. Manny Ramirez hit his 30th homer for Cleveland, which fell to 8-13 in August. Erickson (14-9) struck out

five and walked four. The righthander has won his last three starts and is 6-2 in his last nine appearances.

The Indians' starter, Bartolo Colon (13-7), allowed only five hits in 5 1/2 innings, but issued six walks for the second straight game. Three of those walks turned into runs.

**Athletics 7, Tigers 2** Athletics 7, Tigers 1 Ben Grieve went 3-for-4 with three RBIs and Tom Candiotti (9-14) pitched a six-hitter as host Oakland swept a doubleheader and stretched its winning streak to six.

In the opener, Gil Hefner (1-0) won in his first major league start since 1995. T.J. Mathews got a save and Brian Moehler (12-10) was the loser.

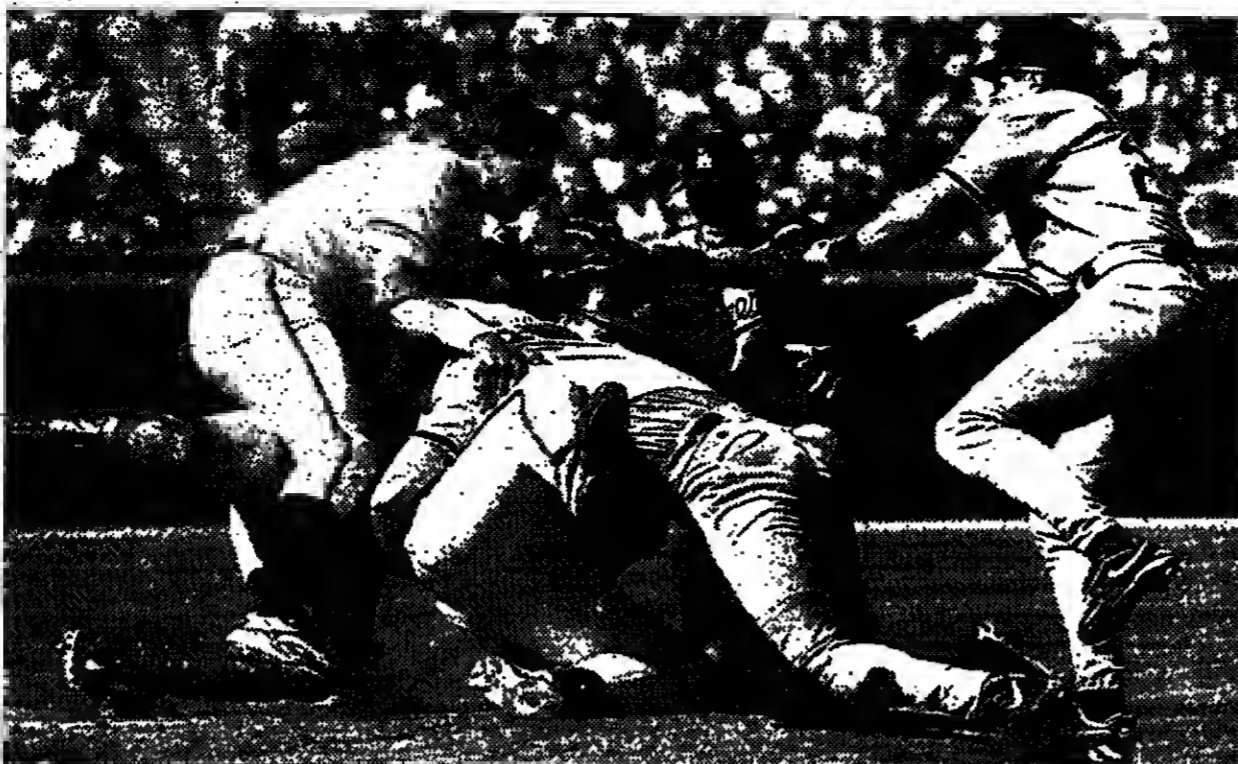
**Royals 3, Devil Rays 2** Jose Rosado (7-9) overcame a first-inning jam and allowed just three hits in eight innings. Jeff Montgomery pitched the ninth for his 28th save in 32 chances, but allowed Fred McGriff's 15th homer.

**Yankees 12, Rangers 9** Scott Brosius hit a three-run homer off a former Yankee, John Wetteland, in the eighth, and New York's 22-year-old righthander, Ryan Bradley, won in his major league debut. The Yankees have won 14 of their last 17 games, including five of six over Texas.

**Mariners 5, White Sox 4** In Seattle, Edgar Martinez singled home the winning run in the 11th inning off Jaime Navarro (8-15).

Ken Griffey Jr. went 2-for-4 with two walks and remained stuck at 42 homers. He hasn't homered in 31 at-bats and has just one round-tripper in his last 85 at-bats over 21 games.

**Angels 5, Blue Jays 1** In Anaheim, Steve Sparks (8-2) scattered seven hits in seven innings to outduel Kelvin Escobar (2-2), who struck out a career-high 11 batters in seven innings.



The Braves' Andres Galarraga, who charged the mound after being hit by a pitch, being flipped by the Dodgers' pitcher, Darren Dreifort. Galarraga was ejected and Dreifort left the game with cuts sustained in the fight.

## Lansing's 3-Run Homer Lifts Rockies

The Associated Press

Mike Lansing hit a three-run homer and John Thomson won his third consecutive decision as the Colorado Rockies defeated the Phillies, 5-2, on Sunday in Philadelphia.

Thomson (8-3) allowed nine hits and two runs in seven innings. He struck out six and walked one.

Chuck McElroy pitched the eighth, and Jerry Dipoto finished the game for his 16th save in 19 opportunities. Dipoto matched a career high for saves.

The Rockies' right fielder, John Vander Wal, helped by throwing out two runners who were trying to advance into scoring position.

The Rockies broke open a 2-1 game in the sixth with Lansing's three-run homer. Todd Helton drew a one-out walk. Vander Wal singled and Lansing hit a fastball from Mike Grace (4-7) into the left-center field stands for his seventh homer.

**Reds 10, Expos 6** In Montreal, Sean Casey hit a three-run homer and drove in five runs, and Jason Bere pitched seven shutout innings to lead Cincinnati to a rout over the Expos.

Casey, who went 3-for-4, had an RBI double in the first and a run-scoring single in the second. He hit his fourth

homer in the fourth to chase the Montreal starter, Javier Vazquez (4-13). Bere (1-0) allowed two hits and combined with two relievers on a four-hitter as the Reds blanked the Expos for the second straight day.

**In games played Saturday:**  
**Astros 8, Cubs 3** Randy Johnson allowed two hits in seven innings for his fourth victory in five starts with Houston.

## NL Roundup

**Phillies 6, Rockies 1** In Philadelphia, Paul Byrd (2-0) pitched a five-hitter for his second straight complete game. Pedro Astacio (11-13) had a two-hit shutout going with two outs in the fifth, but then gave up Scott Rolen's three-run triple and Rico Brogna's two-run homer.

**Reds 4, Expos 0** Steve Parris (3-3) pitched a three-hitter for his second career shutout, sending host Montreal to its 10th loss in 12 games.

**Giants 5, Marlins 4** In Miami, Marvin Benard's pinch-hit RBI single capped a three-run rally in the ninth inning, and Jeff Kent hit a sacrifice fly in the 10th for San Francisco.

**Brewers 5, Padres 4** In Milwaukee, Rafael Roque (1-1) got his first major league victory despite giving up solo homers to Quilvio Vera, Greg Vaughn and Ruben Rivera.

**Brewers 7, Dodgers 5** In Atlanta, Walt

Weiss and Gerald Williams each hit two-run singles and Chipper Jones hit his 30th homer in a game that was marred by a brawl.

In the second inning, Atlanta's Andres Galarraga was hit by Darren Dreifort's pitch and charged the mound. Galarraga swung at Dreifort's head as he lunged toward the pitcher and the two players fell to the ground as both dugouts emptied.

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## McGwire Crushes 52d as Cards Lose

By Richard Justice  
Washington Post Service

PITTSBURGH — Francisco Cordova, one of the Pittsburgh Pirates' right-handers, learned his lesson in the first inning.

After getting two quick strikes on the St. Louis Cardinals' slugger Mark McGwire, Cordova threw a fast ball over the outside corner of the plate.

As McGwire has chased baseball history in recent weeks, he has seen few fast balls and even fewer strikes. Cordova violated both rules at once on Saturday, allowing McGwire to turn on the ball and attack it with all of his 245 pounds (111 kilograms).

He slammed it over the center field fence for his 52d home run of the season. That quickly, he'd given 45,082 fans at Three Rivers Stadium what they'd come for, even as the Pirates pounded out 16 hits and waltzed to a 14-4 victory.

On a strange night when the home team was booed and the visitors were cheered, when what the Cardinals' manager, Tony La Russa, calls "the show within the show" really was the only show, McGwire remained on pace to become baseball's single-season home run king.

He homered, walked, singled and almost had No. 53 off a reliever, Mike Williams, in the seventh inning. He lined a 2-1 pitch into dead center field, but Adrian Brown ran it down near the wall.

Still, his oge giant swing had been enough. He needs 10 home runs in the Cardinals' final 33 games to break Roger Maris's single-season record of 61 in 1961. He needs just eight more to become the third player in history to hit 60 home runs in a season. Babe Ruth is the only other player to have done it.

"It's a very difficult thing to do, and it's going to be even harder down the stretch," McGwire said. "I can only prepare myself, and if it hap-

pens, it happens. I'm trying to enjoy it. I don't know if I'll ever be in this position again."

With every home run McGwire hits, another milestone falls. On Saturday night, he became the first major leaguer to hit 52 before Sept. 1, and he's just the fifth National Leaguer to hit 52 home runs in a season. The last was George Foster in 1977.

The Cardinals didn't arrive in Pittsburgh from New York until 4 A.M., so La Russa canceled batting practice, disappointing the hundreds who'd shown up to watch McGwire rifle pitch after pitch into the seats.

But McGwire did show up for a 30-minute interview with about three dozen reporters. Then, in the first inning, he gave the fans the real thing.

"It amazes me how everyone wants a piece of him," said the Pirates' catcher, Jason Kendall. "This game is hard enough as it is, and he has to block all the stuff he's going through out to go on and do his job. It's amazing what he has done for the game."

Just when some thought McGwire's bat had slowed and his chances of catching Maris or Ruth were fading, he has "found my second wind." After hitting two home runs in a 17-game stretch, Saturday's homer was his fifth in six games. He also drew his 135th walk, giving him 23 in the past 16 games and keeping him within reach of the major league record of 170.

The Pirates had never sold out back-to-back, regular-season home games, but with McGwire in town they did. And when he stepped into the batter's box, he received a long, loud ovation.

"It takes you off guard," McGwire said. "I don't think any visiting player is used to having a large crowd cheering for him. Oh yeah, you feel it. It's amazing."

## The Mystery of Mark Wohlers: Why Did Atlanta Pitcher Lose His Control?

By Bruce Weber  
New York Times Service

RICHMOND, Virginia — It was, until the seventh inning, an ordinary, lackluster baseball game in a minor-league park. The crowd of a few thousand, comfortable on a cool night and used to poor play by the last-place hometown Richmond Braves, sat unmoved to sustain a low-level partisan buzz as the score remained tight, cheering in surprise at a rally in the sixth, when the Braves took a 4-1 lead over the Louisville Redbirds.

But then Mark Wohlers came in to pitch the seventh for Richmond, and the fans went quiet. Wohlers, 28, has been a major league star since 1991 — a relief pitcher for Richmond's parent club, the Atlanta Braves, and among the hardest throwers in the game. Capable of overpowering hitters with his fastball, he saved 97 games for Atlanta spanning 1995 and 1997.

But earlier this year, Wohlers suddenly lost his ability to throw strikes. As the summer has gone on and he has twice been demoted to the minor leagues, his control has only become increasingly erratic, his appearances sprinkled with pitches that bounce in front of the plate or soar to the backstop. His struggle to reclaim his gift, apparently buried beneath a welter of emotional and psychological problems, has become a discomforting public drama, his malady all the more poignant for its fundamental mystery.

Frustrated and bewildered, Bobby Cox, the Atlanta Braves' manager, has publicly worried that Wohlers' career might be over. And Wohlers himself, asked recently how this had happened to him, shrugged and said, "I wish I knew."

Wohlers' delivery has been picked apart by instructors; he has spent time this summer virtually recreating himself as a pitcher, going

through his motion without throwing the ball or climbing the mound. His desperation, perhaps, has been compounded by guilt he has pledged to pitch a year for next to nothing in salary after his current multimillion-dollar contract runs out.

"I'd go to the ball park, throw, do what I need to do in the weight room, and then for the next 22 hours I'd be in my hotel room, by myself, feeling myself crazy," he said of his worst days. "I was very lonely, and very scared."

The International League (Class AAA) game against the Redbirds game offered no answers and no relief. Wohlers retired the first Louisville batter on a fly ball, but that was the last out he recorded. Two walks, a wild pitch and a single produced two runs. He walked two more to load the bases before Max Venable, the Richmond manager, took him out. Wohlers threw 25 pitches, 6 for strikes. The fans moved from cheers to boos as the inning went on. But when Wohlers walked off the mound, they offered disheartened, sympathetic applause.

He is physically fit; his arm is fine. And though he has had personal problems that have been distracting — his wife of six years recently filed for divorce, and at the end of July his mother had a heart attack — by all accounts, he is throwing his lesser pitches such as the slider and the split-fingered fastball well. It's only when he throws his fastball, his bread and butter, that his delivery runs afoul.

The mechanical problems with his delivery have been easy enough to analyze; his mind is getting in the way of correcting them.

"I don't know that there is any explanation," said Wohlers, who has been watching films of his better days to reinforce a positive self image. "I know there are things that I do with my slider and my split that are correct that I don't do with my fastball. I fly open. I get to the point where I am about to release the ball, and my whole upper

body just jerks." He is a classic closer, in the mold of Goose Gosage or Mitch Williams, fastballs with terrifying power.

"He was never a Maddux or a Glavine," said Bill Fischer, the Richmond pitching coach, referring to Atlanta's mastery of control pitchers, Greg Maddux and Tom Glavine. "But I'll tell you this: He was a lot better than what he is. He can't throw the damn ball over the plate."

Fischer would seem to be the right guy for Wohlers; as a pitcher for the Kansas City A's in 1962, he threw 84 1/2 consecutive innings without walking a batter, the major league record.

"This is a man who throws 96 or 98 miles per hour, and he's been a closer, one of the best," said Fischer. "So you can't just throw him to the wolves. And everybody's pulling for the son of a b. It would be different if he were a jerk, but he's a good guy. He's like a guy out in the ocean, going up and down, drowning, and we've got the life jackets, but they're tied down and we can't get them to him."

DALE Murphy, an All-Star outfielder with the Braves in the 1970s and '80s, began as a catcher but had to change his position because his return tosses to the pitcher habitually ended up in center field. Mackey Sasser, a catcher for the Mets, had a mental block that kept him from promptly returning the ball to the pitcher. Steve Sax, a second baseman with the Los Angeles Dodgers and the New York Yankees, developed a midcareer tic that caused him to throw wildly to first base.

There is, too, a list of pitchers who have suddenly lost their touch: Joe Cowley, Kevin Saucier, Randy Jones, and most famously, Steve Blass, who won two complete games for the Pittsburgh Pirates in the 1971 World Series, won 19 games in 1972, but could not find the strike

zone after that. He won only three more games in the major leagues, and he was out of baseball at age 32. Earlier this year, Blass, now a Pirates broadcaster, sent Wohlers an encouraging letter, though the two have never spoken.

Unlike Wohlers, who has had the same erratic tendencies warming up in the bullpen as he has had during games, Blass pitched fine in practice; his troubles began when it counted. But then his loss of control was total.

"It's different from me in that he's thrown well from time to time," Blass said. "So I think if it's there every once in a while, there's something that can be built on. But there's a lot of anxiety. A lot."

Blass said that he still has no idea of what happened to him. "If you can tell him one thing, it's when you get on the other side of this, and remain intact, whether you solve it or not, you're strengthened."

Strapping, young and wealthy — he is being paid \$4.1 million this year and will receive \$5.2 million next year — Wohlers seems the epitome of athletic stardom. He was not eager to talk about himself, perhaps understandably. But when he relented, in the cramped Richmond locker room, he was articulate and candid.

"I can see things turning around," he said. "I can go out there and sometimes things are really good. And I really believe I'm a mentally strong person. I can overcome a lot of things."

He sounded as if he were trying to convince himself, especially because he acknowledged that for a long while he was in denial, attributing his difficulties to inactivity. Wohlers pulled a rib muscle in early May. When he returned from the injury, his troubles began in earnest.

"I just got into a mental funk, and my mechanics started getting out of whack," he said. He found himself in an awkward position for an athlete, having to analyze his performance, step

by step, to work back to a place where such analysis is not necessary and instinct rules.

"In the past, if I walked a few guys, I would just go, 'Oh man, bad night, let me go home and wake up tomorrow and start again,'" he said. "Now I overanalyze: Why did this happen? What was I thinking?"

After yielding a pivotal home run to Jim Leyritz of the Yankees in the 1996 World Series, Wohlers pitched with reasonable effectiveness last year. But his failure this year has been public and, for a professional athlete, demeaning. Twice the Braves have sent him to Richmond, but even here, out of the glare of the major leagues, his work has made catchers stretch, batters skip rope and crowds murmur.

In 27 games with Atlanta this season, his earned run average is 10.18. He has walked 33 men in 20 1/3 innings and thrown seven wild pitches. Bad enough.

But in nine games at Richmond, the numbers were worse: 18 walks in eight innings, eight wild pitches, an ERA of 14.63.

Wohlers is seeing a therapist, he said, to deal not only with his pitching problems, but also with his personal ones. He said he is sleeping better than he was in June, when he considered quitting the game. But even so, the extraordinary strain on him remains.

"I try to realize this is only a game, just a small section of my life," he said. But he said he is stricken with guilt, and he has personally apologized to his manager and to Atlanta executives.

"When my contract expires and everything is fine and I'm pitching at the top of my game again and being one of the more dominant closers in the league," he said, "I would like to come back and play for the minimum wage for one year. Believe me, nobody can say anything worse about me than what I'm saying to myself."



## Leaf Outplays Manning as Chargers Rout the Colts

The Associated Press

INDIANAPOLIS — Round One in the battle of the rookie quarterbacks went to Ryan Leaf and the San Diego Chargers. The rematch with the Indianapolis Colts and Peyton Manning will be in October, when it counts.

Leaf, picked second behind Manning in this year's National Football League draft, set up one touchdown and ran for

## NFL Preseason

another as the Chargers beat the Colts, 33-3, Saturday night. It was only the second time in NFL history that quarterbacks picked 1-2 in the draft had faced each other as rookies.

It was a made-to-order script for hype and comparisons, but Leaf tried to put things in perspective. "This is preseason," he said. "It's only the third game. It was a 3-3 tie at halftime. That's telling you something. There's no way we're going to look past them, ever, because of how they can play football. It's going to be a battle the next time."

Leaf was 15-for-24 for 172 yards. Manning, playing into the third quarter for the first time in the preseason, was 11-for-21 for 123 yards but was in-

tercepted twice by Mike Dumas as the Colts dropped to 1-2.

"The whole Ryan-Peyton thing, we don't get into that," Manning said. "I hope he does well. All I want to do is play well for my team."

Leaf was equally gracious: "Peyton looks great, the way he handles himself, his poise in the pocket. Peyton's the real deal, everybody knows that."

San Diego, helped by Indianapolis turnovers, scored on its first five possessions of the second half, turning a close game into a rout.

"Peyton's getting better every day," said the Colts' coach, Jim Mora. "He has as good a work ethic as anybody around. He's the kind of guy that will be very critical of himself and work very hard to correct his mistakes. So I'm not at all disappointed in Peyton Manning."

**Seahawks 31, Cardinals 24** In Tempe, Arizona, Warren Moon, seeing game action for the first time since he ended his holdout on Aug. 12, beat Arizona's young secondary for two long touchdown passes.

The 42-year-old quarterback, who went 8-for-15 for 202 yards, had scoring strikes of 55 yards to James McKnight and 69 to Joey Galloway. Arizona's

Jake Plummer was 28-for-40 for 322 yards, including a pair of 18-yard touchdown passes.

**Rams 22, Cowboys 14** The Dallas starters played well in St. Louis, but the Rams' backups outscored the Cowboys' subs, 13-0, in the second half.

Dallas's Emmitt Smith ran for 110 yards and a touchdown. Troy Aikman threw a touchdown pass and had seven straight completions in the first half and Michael Irvin had six catches for 100 yards. The Cowboys are 0-4 in the preseason, and have lost nine in a row, dating to Week 13 of last season.

**Steelers 26, Falcons 22** Richard Huntley rushed for 120 yards and two touchdowns on six carries as Pittsburgh beat Atlanta in Morgantown, West Virginia. Huntley, who is battling for a roster spot as a backup running back, capped off two third-quarter drives with touchdown runs of 1 and 47 yards. He added a 62-yard burst.

**Bengals 33, Lions 19** In Cincinnati, Neil O'Donnell staked his claim for the Bengals' starting quarterback job, completing 15-of-18 passes for 147 yards, including a 40-yard touchdown pass to Darnay Scott.

Cincinnati's incumbent signal caller,

Jeff Blake, who played only two series in the second half, threw a 45-yard pass to Chris Doering that set up Brando Bennett's 1-yard touchdown dive with 2:09 to play. Blake was 2-of-3 for 51 yards.

**Patriots 20, Redskins 17** Phil Dawson, claimed off the waiver wire on Friday, kicked a 41-yard field goal with 2:30 left to lift New England to victory in Washington. The Patriots' quarterback, Drew Bledsoe, was 15-for-26 for 153 yards.

**Vikings 28, Panthers 22** Gary Anderson made a 26-yard field goal with 7:59 left in overtime as Minnesota won in Charlotte, North Carolina, to improve to 3-0 in the preseason.

Carolina's kicker, John Kasay, had a chance to win it in regulation, but his 43-yarder with five seconds left bounced off the right goal post — his first miss in 12 attempts this exhibition season.

**Chiefs 22, Jaguars 21** In Kansas City, Rich Gannun threw for one touchdown and ran for another as the Chiefs beat Jacksonville.

**Oilers 26, Saints 24** Steve McNair, the Tennessee quarterback, went 11-of-24 for 200 yards and had two runs for 24 yards as the Oilers won in New Orleans.

**WORLD ROUNDUP**

**Bartoli Edges Sprint**

**CYCLING** Michele Bartoli, the world cup leader, edged Frank Vandenbroucke by a hair Sunday, to win the 85th Swiss Grand Prix race and strengthen his bid for a second consecutive world cup title.

Bartoli, an Italian who rides for the Asics team, was part of a breakaway of nine riders. He sprinted ahead in the final stretch at the Oerlikon velodrome in Zurich but Vandenbroucke, a Belgian with the Mapei team, surged after Bartoli.

Salvatore Commesso, a compatriot and team-mate of Bartoli's, finished third, followed by Italian champion, Andrea Tafi. Bobby Julich crossed, an American with the Cofidis team, was fifth. (AP)

• Edita Pucinskaitė, a 22-year old Lithuanian, finished fourth in the final time trial Saturday to win the women's Tour de France.

Pucinskaitė finished 1 minute 29 clear of Italian Fabiana Luperini in the final overall standings. (AFP)

**Quarterback's Son Dies**

**FOOTBALL** Andrew Rypien, the 2-year-old son of former National Football League quarterback Mark Rypien, died Saturday of complications arising from a brain tumor.

No other details involving the cause of death were immediately available.

Rypien signed a contract with the Atlanta Falcons in April as backup to starter Chris Chandler, but left the team because of his son's health problems. (AP)

**Helmer Says No to Vogts**

**SOCCER** Thomas Helmer on Sunday added his name to the list of players who have decided not to play for the German national team. Helmer, who is 33, has won 68 caps since his national team debut in October 1990. He said it was clear he did not see eye to eye with Bert Vogts, the coach, following a phone call.

Lothar Matthaus, Jurgen Klinsmann and Jurgen Kohler have also announced their international retirement. Thomas Hassler and Andy Moller have said they will not play in Germany's next two matches. (AFP)

**Gronberg Wins by 10**

**GOLF** Mathias Gronberg mastered the elements Sunday to win the European Open in Straffan near Dublin by 10 shots.

Gronberg had won only one tournament in his eight-year professional career and finished 108th on the 1997 European rankings.

He finished 13 under par while competitors crumbled around him, unable to cope with narrow fairways and poor weather. Only six players finished under par at the K Club course which was designed by Arnold Palmer. (Reuters)

**Villa Gets Its Kicks After Yorke Defects**

**It Beats Middlesbrough Without Top Striker**

*Compiled by Our Staff From Dispatches*

Alan Thompson missed a penalty kick but then scored from a free kick Sunday as Aston Villa beat Middlesbrough, 3-1, in the English Premier League.

Julian Joachim and Gary Charles scored the other goals for Villa, whose star striker, Dwight Yorke, opted to move to Manchester United last week. Mikkel Beck, who replaced Paul

the veteran striker, Karlheinz Riedle, and with Michael Owen, the teenager who signed a new five-year contract with Liverpool before the game.

**FRANCE** Nancy won for the first time this season on Sunday, taking advantage of the referee's careful timekeeping to score the goal that gave it a 1-0 victory over Nantes in the French league.

The referee, Bruno Coue, added four minutes to the second half for injuries and other delays, and in the 94th minute Samuel Wiat scored with a header from a corner. Nantes barely had time to kick off before the game ended.

Olympique Marseille also made the most of injury time on Saturday as it beat Montpellier, 5-4, to climb to the top of the French league. Laurent Blanc scored with a penalty kick in the 92d minute to complete a remarkable comeback by Marseille, which trailed 0-4 at halftime.

Marseille and Girondins Bordeaux, which beat Auxerre, 1-0, on Saturday, are the only two teams with maximum points after three games. Marseille leads on goals scored.

In the first half, Marseille was tormented by its former midfielder, Xavier Gravelaine. He set up two goals for the striker Ibrahim Bakayoko with clever passes. Laurent Robert and the veteran defender Franck Sauzeau scored the other two goals for Montpellier.

Arsenal, the current champion, also drew, 0-0, at Liverpool, where its veteran defense coped comfortably with

the veteran striker, Karlheinz Riedle, and with Michael Owen, the teenager who signed a new five-year contract with Liverpool before the game.

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The referee, Bruno Coue, added four minutes to the second half for injuries and other delays, and in the 94th minute Samuel Wiat scored with a header from a corner. Nantes barely had time to kick off before the game ended.

Olympique Marseille also made the most of injury time on Saturday as it beat Montpellier, 5-4, to climb to the top of the French league. Laurent Blanc scored with a penalty kick in the 92d minute to complete a remarkable comeback by Marseille, which trailed 0-4 at halftime.

Marseille and Girondins Bordeaux, which beat Auxerre, 1-0, on Saturday, are the only two teams with maximum points after three games. Marseille leads on goals scored.

In the first half, Marseille was tormented by its former midfielder, Xavier Gravelaine. He set up two goals for the striker Ibrahim Bakayoko with clever passes. Laurent Robert and the veteran defender Franck Sauzeau scored the other two goals for Montpellier.

Arsenal, the current champion, also drew, 0-0, at Liverpool, where its veteran defense coped comfortably with



Alan Moore of Middlesbrough, right, defending against Gary Charles, who scored one of Aston Villa's goals.

Marseille struck back with three goals in nine minutes. Christophe Dussury, a second-half substitute, crossed for Florian Maurice to head in after 62 minutes and then scored with two headers himself. Eric Roy blasted the equalizer in the 83d minute from a deft

flick by Fabrizio Ravanelli. **GERMANY** Kaiserslautern, the defending champion, beat Borussia Moenchengladbach, 2-1, Saturday to move up to second place in the Bundesliga. Martin Wagner and Olaf Marschall scored for the home team. Sladjan As-

anim replied for Moenchengladbach. Bayern Munich crushed Duisburg, 3-1, to move to the top of the league on goal difference. Carsten Jancker, Thomas Strunz and Stefan Effenberg, with a penalty, scored for Bayern. (AP, AFP, Reuters)

**McGwire Takes Hormone, Says Everybody Does**

*The Associated Press*

Sitting on the top shelf of Mark McGwire's locker, next to a can of Popeye spinach and packs of sugarless chewing gum, is a brown bottle labeled Androstenedione.

For more than a year, McGwire says, he has been using the testosterone-producing pill, which is allowed in baseball

**McGwire Hits 52d Homer, Page 17.**

but banned in the National Football League, the Olympics and in U.S. college sports.

No one suggests that McGwire wouldn't be closing in on Roger Maris's home-run record without the over-the-counter drug. After all, he hit 49 homers without it as a rookie in 1987, and more than 50 each of the past two seasons.

But the drug's ability to raise levels of the male hormone, which builds lean muscle mass and promotes recovery after injury, is seen outside baseball as cheating and potentially dangerous.

"Everything I've done is natural — everybody that I know in the game of baseball uses the same stuff I use," said McGwire, who also takes the muscle-builder Creatine, an amino acid powder.

But many players insist they do not take Androstenedione, although the use of other supplements is common.

Sammy Sosa, who trails McGwire by

three in the home-run chase, uses Creatine after games to keep up his weight and strength. Before games he takes the Chinese herb ginseng. But Sosa said he doesn't use Androstenedione or any other testosterone booster.

"Anything illegal is definitely wrong," said Mo Vaughn, the Boston slugger, who said he does not take Androstenedione. "But if you get something over the counter and legal, guys in that power-hitter position are going to use them. Strength is the key to maintaining and gaining endurance for 162 games. The pitchers keep getting bigger and stronger."

Randy Barnes, the 1996 Olympic gold medalist and world record-holder in the shot put, recently drew a lifetime ban for using Androstenedione. Barnes is appealing the decision.

Major League Baseball, like the National Basketball Association, bans only illegal drugs, and the reasoning behind this in both leagues has nothing to do with competitive fairness or health: it's just that the players' associations and management in both sports have not agreed on ways of dealing with the issue.

Although Androstenedione is banned by many sports, it is not illegal in the United States, which is one reason its effects have not been studied.

"It's just a fluke of the law that this is totally unstudied," said John Lombardo of Ohio State University, the NFL's

adviser on steroids.

"Androstenedione is a steroid. It has anabolic qualities. Therefore it is an anabolic steroid."

Anabolic steroids have been associated with potentially fatal side effects, including heart attacks, cancers, liver dysfunction and severe disorders of mood and mental function.

"You can't even buy testosterone with a regular prescription," said Gary Wadler, an assistant professor of medicine at Cornell University Medical College. "You have to get a triplicate prescription. It's a controlled substance by an act of Congress."

Creatine, which McGwire believes helps him recover faster from daily weightlifting, is purported to increase muscle energy and mass. Long-term effects of the powder are unknown. It has been known to lead to muscle tears and cramps due to dehydration.

"I've been using Creatine for about four years," said McGwire, who is 6-foot-5 inches tall (1.95 meters) and weighs 245 pounds (111 kilograms). "It's a good thing. It helps strength. It helps recovery. If you just use common sense, there's absolutely nothing wrong with it. It's a form of eating red meat."

David Tumbas, the Chicago Cubs' trainer, said he doesn't recommend Creatine but doesn't tell players not to take it. He said he asked players in spring training if they were using it or similar

supplements, and that about 10 said they were. He said he believed no one on the Cubs was taking Androstenedione.

The International Olympic Committee added Androstenedione to its banned list in December after it found the pills and various steroids being hawked on the Internet by a company called Price's Power International of Virginia. But that's hardly the only place where "Andro," as it is often called, is available. Great Earth Vitamin, a U.S. chain store, sells the drug over the counter and by mail order.

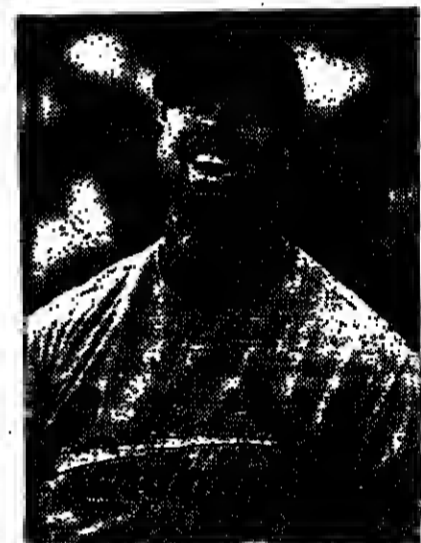
"It's very popular," said Andrew Fischman, director of marketing for the chain. "The primary target of it is the 18- to 35-year-old muscle-head."

Sam Gannelli, the San Diego Padres' conditioning coordinator, said: "Compared to every other sport, there's no time to heal in baseball. In football, you have six days off after every game. In basketball, it's three or four days. These guys are going every day for six months."

But he added that "steroids can really get you broken down. They can do a lot of harm in the long run."

**EPO Use Said to Be High in Italy**

The drug erythropoietin, more commonly known as EPO, is widely used by Italian soccer players to enhance performance, an Italian Olympic official was quoted as saying on Sunday, Agence France-Presse reported.



The home-run leader Mark McGwire uses a testosterone-producing substance called Androstenedione, whose use is permitted in baseball.

Sandro Donati, manager of the scientific research center run by the Italian Olympic Committee, was quoted in Le Journal du Dimanche, a French newspaper, as saying that a continuing judicial inquiry into drug-taking in Italy would confirm the use of EPO.

He said: "The situation is without doubt worse with the clubs in the Italian league than in other countries."

EPO is a synthetic hormone that stimulates the production of red blood cells, which can improve endurance.



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